

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the matter of the Application of Terre Du Lac)
Utilities Corporation for authority to assign,)
transfer, mortgage, or encumber its franchise,) Case No. _____
works, or system, in order to secure financing.)

APPLICATION AND MOTION FOR WAIVER

COMES NOW Terre Du Lac Utilities Corporation (“Applicant”), pursuant to RSMo. §§393.180 and 393.190 and 4 CSR 240-2.060, 2.080, 3.310, and 3.605, and for its Application to the Missouri Public Service Commission (“Commission”) respectfully states as follows:

1. The Applicant is a Missouri general business corporation, active and in good standing with the Missouri Secretary of State’s Office, with its principal office and place of business at 1628 S. St. Francoise Road, Bonne Terre, Missouri, 63628. A Certificate of Good Standing from the Missouri Secretary of State was attached to the application filed in Case No. WF-2017-0143 and is incorporated herein by reference pursuant to Rule 240-2.060(1).

2. The Applicant is engaged, generally, in the business of supplying water and sewer service to approximately 1,245 customers, most of which are residential, in the Missouri counties of Washington and St. Francois. The Applicant is a water corporation and a sewer corporation, subject to the jurisdiction of the Commission as provided by law.

3. The Applicant has no pending or final unsatisfied judgments or decisions against it from any state or federal agency or court that involve customer service or rates and that have occurred within the three years immediately preceding the filing of this Application. The Applicant’s annual report and assessment fees are not overdue.

4. All communications, notices, orders, and decisions respecting this Application should be addressed to the undersigned counsel and to:

Michael F. Tilley

1628 S. St. Francois Road
Bonne Terre, MO 63628
TDLU@charter.net

5. The Commission has jurisdiction in this case because the Applicant desires to assign, transfer, mortgage, or otherwise encumber its franchise, works, or system, in order to secure financing. *See* §§393.180 and 393.190.1.

6. In connection with the execution of a Promissory Note in the amount of \$126,000, attached hereto as Exhibit A, the Applicant seeks approval from the Commission to pledge all of its assets as security. Specifically, the owners of the Applicant seek approval to pledge 380 shares of stock, being all the stock in the Applicant, and seek approval to grant a security interest in all of the Applicant's equipment, contracts, and receivables. The real property owned by the Applicant is described on the attached Exhibit B.

7. The Applicant's Corporate Resolution to Borrow / Grant Collateral is attached hereto as Exhibit C.

8. The borrowing is required for the Applicant to make improvements that are necessary for the Applicant to continue providing safe and adequate water and sewer service to its customers and to comply with environmental regulations. In particular, the funds will be used to complete well number four.

9. Encumbering the assets of the Applicant as set forth above will have no impact on the tax revenues of the political subdivisions in which any of the structures, facilities, or equipment of the Applicant is located. The above-described pledge of assets will not result in a change of ownership of the Applicant's properties, nor will it result in the change of the present location of the affected utility assets.

10. Encumbering the assets of the Applicant will not be detrimental to the public interest, and, in fact, will be beneficial to the public interest, because the public health, safety,

and welfare will be served by the ability of the Applicant to make the necessary and prudent repairs and improvements to its system. Granting the authority requested will not cause any adverse impact on customer service.

11. Rule 4 CSR 240-4.017(1) provides that “(a)ny person that intends to file a case shall file a notice with the secretary of the commission a minimum of sixty (60) days prior to filing such case.” A notice was not filed 60 days prior to the filing of this Application, and the Applicant seeks a waiver of the 60-day notice requirement.

12. Rule 4 CSR 240-4.017(1)(D) provides that a waiver may be granted for good cause. In this regard, the Applicant declares (with this declaration verified below) that it has had no communication with the office of the Commission within the prior 150 days regarding any substantive issue likely to be in this case. Further, the Applicant notes that the 60-day notice requirement does not apply to small utility rate cases. Although this is not a rate case, the Applicant is a “small utility.” Also, the Applicant was directed to file this Application within 30 days of the effective date of the Commission’s Order Approving Disposition Agreements in Case No. WR-2017-0110. It would serve no purpose to further delay the filing of this Application.

13. For the good cause shown, the Applicant moves for a waiver of the 60-day notice requirement of Rule 4 CSR 240-4.017(1) and acceptance of this Application at this time.

WHEREFORE, Terre Du Lac Utilities Corporation respectfully requests that the Commission grant this Application and issue an order authorizing Terre Du Lac Utilities Corporation to assign, transfer, mortgage, or otherwise encumber its franchise, works, or system, in order to secure financing, as set forth above. The Applicant requests such other and further relief as is just and proper under the circumstances.

BRYDON, SWEARENGEN & ENGLAND P.C.

By: /s/ Diana C. Carter

Diana C. Carter MBE #50527
312 East Capitol Avenue
P.O. Box 456
Jefferson City, MO 65102
Telephone: (573) 635-7166
Facsimile: (573) 634-7431
E-mail: DCarter@BrydonLaw.com

ATTORNEYS FOR TERRE DU LAC

Certificate of Service

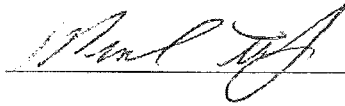
I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail on this 30th day of August, 2017, to counsel for the Staff of the Commission and to the Office of the Public Counsel.

/s/ Diana C. Carter

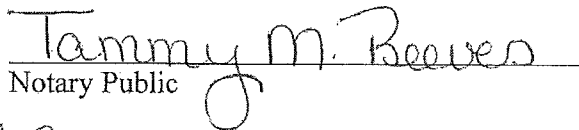
VERIFICATION

STATE OF MISSOURI)
) ss
COUNTY OF St. Francois)

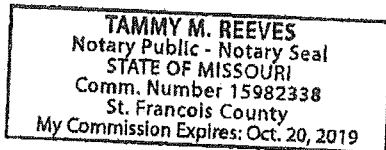
I, Mike Tilley, having been duly sworn upon my oath, state that I am the President of Terre Du Lac Utilities Corporation, and that the matters and things stated in the foregoing Application are true and correct to the best of my information, knowledge, and belief and that I am authorized to execute this verification on behalf of Terre Du Lac Utilities Corporation.



Subscribed and sworn to before me, a notary public, on this 28 day of August, 2017.


Notary Public

My Commission expires: 10/20/19





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PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Coll / Coll	Account	Officer	Initials
\$126,000.00	01-31-2017	07-28-2032	62060550	1E1 / 220	TAA0762	WDC	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

Borrower: TERRE DU LAC UTILITIES CORPORATION
1628 Saint Francois Rd
Bonne Terre, MO 63628-0000

Lender: FIRST STATE COMMUNITY BANK
Terre Du Lac Branch
74 Rue Terre Bonne
Bonne Terre, MO 63628

Principal Amount: \$126,000.00

Date of Note: January 31, 2017

LINE OF CREDIT. This Note evidences a straight line of credit. Once the total amount of principal has been advanced, I am not entitled to further loan advances. I agree to be liable for all sums either: (A) advanced in accordance with the instructions of an authorized person or (B) credited to any of my accounts with Lender. The unpaid principal balance owing on this Note at any time may be evidenced by endorsements on this Note or by Lender's internal records, including daily computer print-outs.

PROMISE TO PAY. TERRE DU LAC UTILITIES CORPORATION ("Borrower") promises to pay to FIRST STATE COMMUNITY BANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of One Hundred Twenty-six Thousand & 00/100 Dollars (\$126,000.00) or so much as may be outstanding, together with interest on the unpaid outstanding principal balance of each advance. Interest shall be calculated from the date of each advance until repayment of each advance.

PAYMENT. Subject to any payment changes resulting from changes in the Index, Borrower will pay this loan in accordance with the following payment schedule, which calculates interest on the unpaid principal balances as described in the "INTEREST CALCULATION METHOD" paragraph using the interest rates described in this paragraph: 6 monthly consecutive interest payments, beginning February 28, 2017, with interest calculated on the unpaid principal balances using an interest rate of 5.000% per annum based on a year of 360 days; 6 monthly consecutive principal and interest payments in the initial amount of \$1,001.06 each, beginning August 28, 2017, with interest calculated on the unpaid principal balances using an interest rate of 5.000% per annum based on a year of 360 days; 173 monthly consecutive principal and interest payments, beginning February 28, 2018, with interest calculated on the unpaid principal balances using an interest rate based on the Index described below, plus a margin of 3.750 percentage points; and one principal and interest payment on July 28, 2032, with interest calculated on the unpaid principal balances using an interest rate based on the Index described below, plus a margin of 3.750 percentage points. The final payment will be for all principal and accrued interest not yet paid, together with any other unpaid amounts under this Note. Unless otherwise agreed or required by applicable law, payments will be applied first to any escrow or reserve account payments as required under any mortgage, deed of trust, or other security instrument or security agreement securing this Note; then to any accrued unpaid interest; then to principal; and then to any late charges. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

VARIABLE INTEREST RATE. The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the Federal Home Loan Bank of Des Moines 1 year fixed rate advance rate as of the 25th day of the month prior to the rate change date (the "Index"). The Index is not necessarily the lowest rate charged by Lender on its loans. If the Index becomes unavailable during the term of this loan, Lender may designate a substitute index after notifying Borrower. Lender will tell Borrower the current Index rate upon Borrower's request. The interest rate change will not occur more often than each year on the anniversary date of the note. Borrower understands that Lender may make loans based on other rates as well. The interest rate or rates to be applied to the unpaid principal balance during this Note will be the rate or rates set forth herein in the "Payment" section. Notwithstanding any other provision of this Note, after the first payment stream, the interest rate for each subsequent payment stream will be effective as of the due date of the last payment in the first payment stream. NOTICE: Under no circumstances will the interest rate on this Note be less than 4.250% per annum or more than (except for any higher default rate shown below) the lesser of 11.000% per annum or the maximum rate allowed by applicable law. Notwithstanding the above provisions, the maximum increase or decrease in the interest rate at any one time on this loan will not exceed 2.000 percentage points. Whenever increases occur in the interest rate, Lender, at its option, may do one or more of the following: (A) increase Borrower's payments to ensure Borrower's loan will pay off by its original final maturity date, (B) increase Borrower's payments to cover accruing interest, (C) increase the number of Borrower's payments, and (D) continue Borrower's payments at the same amount and increase Borrower's final payment.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method. This calculation method results in a higher effective interest rate than the numeric interest rates stated in this Note.

PREPAYMENT. Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: FIRST STATE COMMUNITY BANK, Terre Du Lac Branch, 74 Rue Terre Bonne, Bonne Terre, MO 63628.

LATE CHARGE. If a payment is more than 15 days late, Borrower will be charged 5.000% of the regularly scheduled payment or \$50.00, whichever is greater.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, the interest rate on this Note shall be increased by adding an additional 5.000 percentage point margin ("Default Rate Margin"). The Default Rate Margin shall also apply to each succeeding interest rate change that would have applied had there been no default. After maturity, or after this Note would have matured had there been no default, the Default Rate Margin will continue to apply to the final interest rate described in this Note. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

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 of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Default in Favor of Third Parties. Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Insolvency. The dissolution or termination of Borrower's existence as a going business, 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.

Creditor or Foreclosure Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or foreclosure proceeding and if Borrower gives Lender written notice of the creditor or foreclosure proceeding and deposits with Lender monies or a surety bond for the creditor or foreclosure proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate

EXHIBIT

tabbles

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Loan No: 62060550

reserve or bond for the dispute.

Change in Ownership. Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

Insecurity. Lender in good faith believes itself insecure.

Borrower:

TERRE DU LAC UTILITIES CORPORATION

By: Mike Tilley, President of TERRE DU LAC UTILITIES CORPORATION

By: Kathy Tilley, Secretary of TERRE DU LAC UTILITIES CORPORATION

Property Description:

As described above, this appraisal includes "all the assets" of Terre du Lac Utilities, which includes real estate held outright, easements and infrastructure, and equipment/personal property. Refer to the title policy and equipment list on file with the client.

Real Estate Held Outright:

The subject's real estate includes ten tracts scattered throughout Terre du Lac. These tracts range in size from about 0.155 acres to 7.99 acres.

Each tract is served by electricity (Ameren MO), water (Terre du Lac Utilities), and sewers (Terre du Lac Utilities).

The tracts are held in the name of Terre du Lac Utilities Corporation; they have been held in this name or a related name for a number of years. There has been no reported sales activity regarding the subject for the past three years.

There is no zoning in Terre du Lac.

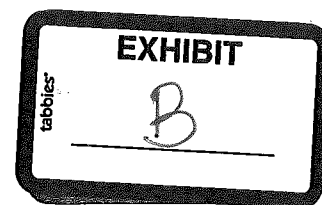
The following is a description of the tracts, with the tract numbers taken from the title commitment as shown in the addenda to this report. The legal descriptions for each tract are included with the title commitment.

Tract 1:

As shown on the survey included in the addenda to this report, this tract is nearly rectangular in shape and contains approximately 0.324 acres, with about 114 feet of frontage on Rue Riviera.

This tract is assessor's parcel number 07-40-20-03-006-0001.00, with an assessed value of \$29,700 (commercial) and a 2015 tax burden of \$1577.58. Commercial properties in Missouri are assessed at 32% of their market value, which indicates St. Francois County values this parcel at \$92,800.

This tract is improved with a 100,000 gallon spheroid water tower.



Tract 2:

As shown on the survey included in the addenda to this report, this tract is irregularly shaped and contains approximately 4.2249 acres, with about 526 feet of frontage on St. Francois Road.

This tract is assessor's parcel number 07-40-19-01-008-0002.00, with an assessed value of \$28,110 (commercial) and a 2015 tax burden of \$1510.12. Commercial properties in Missouri are assessed at 32% of their market value, which indicates St. Francois County values this parcel at \$87,840.

This tract is improved with a 50,000 gallon spheroid water tower and a 700 square foot office building.

Tract 3:

As shown on the survey included in the addenda to this report, this tract is rectangular in shape and contains approximately 0.155 acres, with about 75 feet of frontage on Napoleon Drive.

This tract is assessor's parcel number 07-90-32-00-000-0038.01, with an assessed value of \$1410 (commercial) and a 2015 tax burden of \$74.90. Commercial properties in Missouri are assessed at 32% of their market value, which indicates St. Francois County values this parcel at \$4410.

This tract is improved with a well which has a capacity of 300 gallons per minute and a 380 square foot well house.

Tracts 4 and 4A:

A survey for Tract 4 is included in the addenda to this report; no survey was available for Tract 4A. The assessor's office indicates the tracts contain a combined area of 6.49 acres and front Rue Chantilly. As shown on the survey included in the addenda to this report, this tract is rectangular in shape and contains approximately 0.155 acres, with about 75 feet of frontage on Napoleon Drive.

This tract is assessor's parcel number 07-40-18-00-000-0004.00, with an assessed value of \$3520 (commercial) and a 2015 tax burden of \$199.92. Commercial properties in Missouri are assessed at 32% of their market value, which indicates St. Francois County values this parcel at \$11,610.

This tract is improved with a 1440 square foot shop building, a lift station, and sewage overflow holding ponds.

Tract 5:

As shown on the survey included in the addenda to this report, this tract is nearly rectangular in shape and contains approximately 5.3211 acres; it is accessed via Moulin Rouge Drive.

This tract is assessor's parcel number 07-40-18-00-000-0003.04, with an assessed value of \$50 (agricultural) and a 2015 tax burden of \$2.75. Agricultural properties in Missouri are assessed at 12% of their agricultural use value, which indicates St. Francois County values this parcel at \$420.

This tract is improved with a three cell sewage treatment lagoon.

Tract 6:

As shown on the survey included in the addenda to this report, this tract is nearly rectangular in shape and contains approximately 0.3416 acres, with about 100 feet of frontage on Lafayette Drive.

This tract is assessor's parcel number 07-40-17-03-004-0001.01, with an assessed value of \$570 (residential) and a 2015 tax burden of \$31.26. Residential properties in Missouri are assessed at 19% of their market value, which indicates St. Francois County values this parcel at \$3000.

This tract is improved with a lift station.

Tract 7:

As shown on the survey included in the addenda to this report, this tract is rectangular in shape and contains approximately 7.991 acres and is accessed via Marseilles Drive.

This tract is assessor's parcel number 07-40-18-00-000-0003.04, with an assessed value of \$150 (agricultural) and a 2015 tax burden of \$7.16. Agricultural properties in Missouri are assessed at 12% of their agricultural use value, which indicates St. Francois County values this parcel at \$1260.

This tract is improved with an oxidation ditch.

Tract 8:

As shown on the survey included in the addenda to this report, this tract is nearly rectangular in shape and contains approximately 0.1773 acres, with about 51 feet of frontage on Rue Chantilly.

This tract is assessor's parcel number 07-40-17-03-004-0001.02, with an assessed value of \$570 (residential) and a 2015 tax burden of \$31.26. Residential properties in Missouri are assessed at 19% of their market value, which indicates St. Francois County values this parcel at \$3000.

This tract is improved with a lift station.

Tract 9:

As shown on the survey included in the addenda to this report, this tract is nearly rectangular in shape and contains approximately 0.2333 acres, with about 145 feet of frontage on Judy Circle.

This tract is assessor's parcel number 07-90-29-04-002-0001.05, with an assessed value of \$2130 (commercial) and a 2015 tax burden of \$199.92. Commercial properties in Missouri are assessed at 32% of their market value, which indicates St. Francois County values this parcel at \$6670.

This tract is improved with a well which has a capacity of 300 gallons per minute and a 380 square foot well house.

Tract 10:

No survey was available for this tract. The assessor's office indicates the tract contains 0.33 acres with about 97 feet of frontage on Judy Circle.

This tract is assessor's parcel number 07-80-33-02-006-0008.00, with an assessed value of \$480 (residential) and a 2015 tax burden of \$27.09. Residential properties in Missouri are assessed at 19% of their market value, which indicates St. Francois County values this parcel at \$2500.

This tract is unimproved.



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CORPORATE RESOLUTION TO BORROW / GRANT COLLATERAL

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$126,000.00	01-31-2017	07-28-2032	62060550	1E1 / 220	TAA0762	WDC	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

Corporation: TERRE DU LAC UTILITIES CORPORATION
1628 Saint Francois Rd
Bonne Terre, MO 63628-0000

Lender: FIRST STATE COMMUNITY BANK
Terre Du Lac Branch
74 Rue Terre Bonne
Bonne Terre, MO 63628

WE, THE UNDERSIGNED, DO HEREBY CERTIFY THAT:

THE CORPORATION'S EXISTENCE. The complete and correct name of the Corporation is TERRE DU LAC UTILITIES CORPORATION ("Corporation"). The Corporation is a corporation for profit which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Missouri. The Corporation is duly authorized to transact business in all other states in which the Corporation is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which the Corporation is doing business. Specifically, the Corporation is, and at all times shall be, duly qualified as a foreign corporation in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. The Corporation has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. The Corporation maintains its principal office at 1628 Saint Francois Rd, Bonne Terre, MO 63628-8971. Unless the Corporation has designated otherwise in writing, this is the principal office at which the Corporation keeps its books and records. The Corporation will notify Lender prior to any change in the location of the Corporation's state of organization or any change in the Corporation's name. The Corporation shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to the Corporation and the Corporation's business activities.

RESOLUTIONS ADOPTED. At a meeting of the Directors of the Corporation, or if the Corporation is a close corporation having no Board of Directors then at a meeting of the Corporation's shareholders, duly called and held on December 12, 2016, at which a quorum was present and voting, or by other duly authorized action in lieu of a meeting, the resolutions set forth in this Resolution were adopted.

OFFICERS. The following named persons are officers of TERRE DU LAC UTILITIES CORPORATION:

NAMES	TITLES	AUTHORIZED	ACTUAL SIGNATURES
Mike Tilley	President	Y X	
Kathy Tilley	Secretary	Y X	

ACTIONS AUTHORIZED. Any two (2) of the authorized persons listed above may enter into any agreements of any nature with Lender, and those agreements will bind the Corporation. Specifically, but without limitation, any two (2) of such authorized persons are authorized, empowered, and directed to do the following for and on behalf of the Corporation:

Borrow Money. To borrow, as a cosigner or otherwise, from time to time from Lender, on such terms as may be agreed upon between the Corporation and Lender, such sum or sums of money as in their judgment should be borrowed, without limitation.

Execute Notes. To execute and deliver to Lender the promissory note or notes, or other evidence of the Corporation's credit accommodations, on Lender's forms, at such rates of interest and on such terms as may be agreed upon, evidencing the sums of money so borrowed or any of the Corporation's indebtedness to Lender, and also to execute and deliver to Lender one or more renewals, extensions, modifications, refinancings, consolidations, or substitutions for one or more of the notes, any portion of the notes, or any other evidence of credit accommodations.

Grant Security. To mortgage, pledge, transfer, endorse, hypothecate, or otherwise encumber and deliver to Lender any property now or hereafter belonging to the Corporation or in which the Corporation now or hereafter may have an interest, including without limitation all of the Corporation's real property and all of the Corporation's personal property (tangible or intangible), as security for the payment of any loans or credit accommodations so obtained, any promissory notes so executed (including any amendments to or modifications, renewals, and extensions of such promissory notes), or any other or further indebtedness of the Corporation to Lender at any time owing, however the same may be evidenced. Such property may be mortgaged, pledged, transferred, endorsed, hypothecated or encumbered at the time such loans are obtained or such indebtedness is incurred, or at any other time or times, and may be either in addition to or in lieu of any property theretofore mortgaged, pledged, transferred, endorsed, hypothecated or encumbered.

Execute Security Documents. To execute and deliver to Lender the forms of mortgage, deed of trust, pledge agreement, hypothecation agreement, and other security agreements and financing statements which Lender may require and which shall evidence the terms and conditions under and pursuant to which such liens and encumbrances, or any of them, are given; and also to execute and deliver to Lender any other written instruments, any chattel paper, or any other collateral, of any kind or nature, which Lender may deem necessary or proper in connection with or pertaining to the giving of the liens and encumbrances. Notwithstanding the foregoing, any one of the above authorized persons may execute, deliver, or record financing statements.

Negotiate Items. To draw, endorse, and discount with Lender all drafts, trade acceptances, promissory notes, or other evidences of indebtedness payable to or belonging to the Corporation or in which the Corporation may have an interest, and either to receive cash for the same or to cause such proceeds to be credited to the Corporation's account with Lender, or to cause such other disposition of the proceeds derived therefrom as they may deem advisable.

Further Acts. In the case of lines of credit, to designate additional or alternate individuals as being authorized to request advances under such lines, and in all cases, to do and perform such other acts and things, to pay any and all fees and costs, and to execute and deliver such other documents and agreements, including agreements waiving the right to a trial by jury, as the officers may in their discretion deem reasonably necessary or proper in order to carry into effect the provisions of this Resolution.

ASSUMED BUSINESS NAMES. The Corporation has filed or recorded all documents or filings required by law relating to all assumed business names used by the Corporation. Excluding the name of the Corporation, the following is a complete list of all assumed business names under which the Corporation does business: None.

NOTICES TO LENDER. The Corporation will promptly notify Lender in writing at Lender's address shown above for such other addresses as Lender may designate from time to time prior to any (A) change in the Corporation's name; (B) change in the Corporation's assumed business name(s); (C) change in the management of the Corporation; (D) change in the authorized signer(s); (E) change in the Corporation's principal office address; (F) change in the Corporation's state of organization; (G) conversion of the Corporation to a new or different type of business entity; or (H) change in any other aspect of the Corporation that directly or indirectly relates to any agreements between the Corporation and Lender. No change in the Corporation's name or state of organization will take effect until after Lender has received notice.

CERTIFICATION CONCERNING OFFICERS AND RESOLUTIONS. The officers named above are duly elected, appointed, or employed by or for the Corporation, as the case may be, and occupy the positions set opposite their respective names. This Resolution now stands of record on the books of the Corporation, is in full force and effect, and has not been modified or revoked in any manner whatsoever.

NO CORPORATE SEAL. The Corporation has no corporate seal, and therefore, no seal is affixed to this Resolution.

CONTINUING VALIDITY. Any and all acts authorized pursuant to this Resolution and performed prior to the passage of this Resolution are hereby ratified and approved. This Resolution shall be continuing, shall remain in full force and effect and Lender may rely on it until written notice of its revocation shall have been delivered to and received by Lender at Lender's address shown above for such addresses as Lender may designate from time to time. Any such notice shall not affect any of the Corporation's agreements or commitments in effect at the time notice is given.

IN TESTIMONY WHEREOF, we have hereunto set our hand and attest that the signatures set opposite the names listed above are their genuine signatures.

We each have read all the provisions of this Resolution, and we each personally and on behalf of the Corporation certify that all statements and

Loan to complete

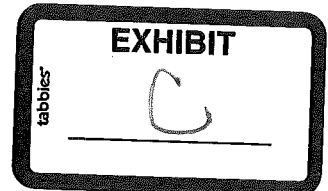
Well #4

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1 of 2



CORPORATE RESOLUTION TO BORROW / GRANT COLLATERAL
(Continued)

Loan No: 62060550

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representations made in this Resolution are true and correct. This Corporate Resolution to Borrow / Grant Collateral is dated January 31, 2017.

CERTIFIED TO AND ATTESTED BY:

X
Mike Tilley, President of TERRE DU LAC UTILITIES
CORPORATION

X
Kathy Tilley, Secretary of TERRE DU LAC UTILITIES
CORPORATION

NOTE: If the officers signing this Resolution are designated by the foregoing document as one of the officers authorized to act on the Corporation's behalf, it is advisable to have this Resolution signed by at least one non-authorized officer of the Corporation.

Corporation No. 16 4 10624 Corp. D-14924 Corporation 1991, 2017. All Rights Reserved. -SAD 2-25/2017/12 10-11150 78-12