

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED
FEB 27 2023
DEPARTMENT OF
WATER RESOURCES

Notice of Security Interest in a Water Right
and a request to be notified of a change in ownership or any proposed
or final action to amend, transfer, or otherwise modify the water right(s)

Completed
3/21/23
[Signature]

Attach pages with additional information. Incomplete forms will be returned.

1. Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.
98-2133			
98-7309			
98-7625			
98-7819			

2. The following **REQUIRED** information must be submitted with this form:

A) Evidence of the security interest. This may be a copy of a **DEED of TRUST, MORTGAGE, CONTRACT OF SALE** or other legal document indicating your interest in the property and water rights or claims in question, **WITH ATTACHED LEGAL DESCRIPTION.**

B) A **FEE of \$25.00 per** water right or adjudication claim.

3. Name and Mailing Address of Person or Company Holding Security Interest

SUPPORT DATA
IN FILE # 98-2133

State Of Idaho

Idaho Water Resource Board

PO Box 83720

Boise, ID 83720-0098

Phone 208-287-4800

Email IWRB2@idwr.idaho.gov

4. Name of Water Right Owner/Claimant(s)

Bee Line Water Association

5. Expiration Date of Notification Period

January 1, 2033

6. Is this a Renewal of Request for Notification?

☐ YES

☒ NO

7. Signature(s) of Security Interest Holder(s)

Title, if applicable

[Signature]
Executive Officer, Idaho Water Resource Board

For Office Use Only

Received by _____ Date _____ Receipt No. _____ Fee _____

Processed by AJ _____ Date _____ WR _____ Date _____

SCANNED
MAY 24 2023

Contract No. 03-7B-14

**STATE OF IDAHO
WATER RESOURCE BOARD**



REVOLVING DEVELOPMENT ACCOUNT LOAN CONTRACT

with the

BEE LINE WATER ASSOCIATION

for the

WATER SYSTEM IMPROVEMENTS

IWRB loan contract

SCANNED
MAY 24 2023

STATE OF IDAHO
WATER RESOURCE BOARD



REVOLVING DEVELOPMENT ACCOUNT LOAN CONTRACT AGREEMENT

LOAN CONTRACT dated October 2, 2014 between the **IDAHO WATER RESOURCE BOARD** (Board) and the **BEE LINE WATER ASSOCIATION** (Sponsor).

This loan provides financing to construct a water project that has met the criteria of the Board. The loan shall be used for the following purpose(s): To fund improvements to the water supply system as described in Article 2 below.

INTRODUCTORY PROVISIONS

Article 1. DEFINITIONS - When used in this contract, the following terms shall have the meanings hereinafter set forth:

- a. "Project Feasibility Report" means the engineering reports and supporting data.
- b. "Project" means all works and facilities proposed to be constructed by the Sponsor as described in Article 2 Project Description.
- c. "System" means the water supply, storage, and delivery facilities owned and operated by the Sponsor.
- d. "Loan commitment" means the maximum sum of money that the Board agrees to loan to the Sponsor under this contract as provided in Article 3 hereof.
- e. "Year" means fiscal year beginning July 1 and ending June 30 of the year following.
- f. "Quarter" means any period of three months beginning on the first day of July, October, January, or April in any fiscal year.

Article 2. PROJECT DESCRIPTION - The project shall consist of the Sponsor replacing the Meadow Creek intake and replacing the slow sand filter. The funds provided under this contract shall not be used for any other purpose without the approval of the Board.

Article 3. TERM OF CONTRACT - This contract shall be effective when executed and remain in effect until the principal amount of the loan, all interest thereon, and any money owed to the Board under this contract has been paid in full.

LOAN PROVISIONS

Article 4. MAXIMUM LOAN AMOUNT - The Board will loan to the Sponsor in accordance with the provisions of this contract a sum of money not to exceed **FOUR HUNDRED THOUSAND DOLLARS (\$400,000.00)** at the rate of interest specified herein.

Article 5. DISBURSEMENT OF FUNDS

a. Disbursements - The loan commitment shall be disbursed in the following manner:

- (1) Disbursement of the funds will be allowed upon completion of the following items:
 - When both parties have signed the contract
- (2) Disbursements are to be based on construction progress, based on actual bills or invoices submitted to the Sponsor. The Sponsor may then submit the bills or invoices to the Board for approval and disbursement. Disbursement shall be made on a pro-rated basis in proportion to the other funding used for this project.

- (3) Five percent (5%) of the requested loan disbursements shall be withheld until the final disbursement for the project is made by the Board to the Sponsor.

- b. Construction Payments by Sponsor - Construction progress payments made using these loan funds shall be made by the Sponsor solely on the basis of work in place or materials delivered to the project site, pursuant to the terms of the construction contract or agreement between the Sponsor and the contractor, or for the payment of other costs necessarily incurred for the construction of this project.

Article 6. WITHHOLDING OF DISBURSEMENTS

a. Conditions for Withholding Payment

- (1) If the Board determines that the project is not being constructed substantially in accordance with the provisions of this contract, or that the Sponsor has failed in any other respect to substantially comply with the provisions of this contract, and if the Sponsor does not cause any such failure to comply with this contract to be remedied to the Board's satisfaction within fifteen (15) days, or within some greater period that may be allowed by the Board, from the receipt of written notice of such failure from the Board, the Board may withhold from the Sponsor all or any portion of the loan commitment. During the period, which the Sponsor has to remedy such failure, the Board shall not be obligated to disburse to the Sponsor any portion of the loan commitment. The Board shall provide the Sponsor with prompt written notice of any decision to withhold from the Sponsor all or any portion of the loan commitment.

- (2) Five percent (5%) of the total loan commitment shall be withheld until the final project payment is requested by the Sponsor and approved by the Board.

- (3) Upon the completion of the project and before the final project disbursement is made the project shall be inspected by the Board's contracting officer or his designated representative. For the project to be found to be complete the entire system must be turned on if requested by the contracting officer and be fully operable at the time of the inspection. In the event that construction is not complete when the final project payment is requested, five percent (5%) of the total funds requested may be withheld until the project is completed.

- b. Withholding Entire Commitment - If the Board notifies the Sponsor that it has decided to withhold from the Sponsor pursuant to subdivision (a) of this article all of the loan commitment, this contract shall terminate upon receipt of such notice by the Sponsor and shall no longer be binding on either party hereto.

Article 7. USE OF FUNDS - Any and all money disbursed to the Sponsor under this contract shall be used solely for the payment of costs necessarily incurred by the Sponsor for the construction of the Project, including, but not limited to, the payment of interest hereunder during project construction, engineering expenses, legal expenses, land acquisition, materials purchases, payments to contractors, and the costs of acquiring any maintenance of the project.

Article 8. TIMING AND MANNER OF PROJECT DESIGN AND CONSTRUCTION

- a. Project Completion Date - The Sponsor shall cause the construction of the Project to be completed not later than **November 1, 2015**, provided that said date may be extended upon written approval of the Board.
- b. The sponsor shall provide periodic reports to the Board during project construction documenting progress.
- c. Inspection of Construction - The Board requires a minimum of 1 inspections to be preformed by the Board's contracting officer or his designated representative. These inspections should coincide with construction of the new pipeline, and at completion of the project. The Sponsor is required to notify the Board's contracting officer, or his designee, prior to these operations so that the officer or his representative can make arrangements to be present. Should the Board's officer or his designated representative not be able to be present, the Sponsor, upon the approval of the Board's officer, will be required to take photos of the installation process at that time and send

them to the Board's officer.

- d. Determination of Project Completion - For the purposes of this contract, construction of the project shall be considered to be completed or terminated when so determined by the Board, or its contracting officer. Upon the completion of the project and before the final project disbursement is made the project shall be inspected by the contracting officer identified or his representative. For the project to be found to be complete the entire system must be turned on if requested by the inspector and be fully operable at the time of the inspection. In case the construction is not complete at the time the final project payment is requested, five percent (5%) of the total funds requested may be withheld until the project is completed. The Board may require as-built drawings to be submitted.

REPAYMENT PROVISIONS

Article 9. STATEMENT OF PRINCIPAL AMOUNT OF LOAN

- a. Remittance of Unexpended Funds - After receipt by the Sponsor of written notice from the Board that the Board has determined that the final disbursement of money has been made to the Sponsor pursuant to Article 5 hereof, or written notice that the Board has decided to withhold from the Sponsor pursuant to Article 6 hereof, the balance of the loan commitment where a portion of the loan commitment has been disbursed, the Sponsor shall, within a period of thirty (30) days from the date such notice was given, remit to the Board any unexpended funds that were disbursed to the Sponsor under this contract and are not needed to pay project construction costs incurred prior to the date such notice was given or, if no such funds exist, transmit to the Board a written notice to that effect. Unexpended funds remitted to the Board under this subdivision shall be considered to be repayment of a part of the loan.
- b. Transmission of Statement to Sponsor - Within thirty (30) days after the termination of the period of thirty days mentioned in subdivision (a) of this article, the Board shall transmit to the Sponsor a written statement setting forth the amount of the loan to be repaid by the Sponsor to the Board pursuant to Article 9 hereof, which shall be the total amount disbursed to the Sponsor hereunder less any amount of such total amount disbursed that may have been previously repaid or remitted to the Board by the Sponsor together with any and all interest accrued thereon.

Article 10. REPAYMENT OF PRINCIPAL AMOUNT OF LOAN

- a. Repayment Terms - The Sponsor shall make **fifteen (15)** annual and approximately equal payments to the Board repaying in full the principal amount of the loan funds disbursed together with interest thereon at **three and one half percent (3.5%)** per annum, with the first annual payment due not later than one year from the date of final disbursement of funds for the Project; provided, that such repayment schedule shall be subject to modification by agreement of the Board and the Sponsor.
- b. Advance Payment Option - The Sponsor shall have the option of paying in advance on any date all or any part of the unpaid portion of the principal amount of the loan; provided, that any interest accrued shall be paid at the same time.

Article 11. INTEREST PAYMENT

- a. Repayment Terms - The Sponsor shall pay interest to the Board at the rate of **three and one half percent (3.5%)** per annum of the unpaid balance of the amounts of money disbursed to the Sponsor pursuant to this contract from the date of disbursement of each principal amount.
- b. Computation of Interest - The interest amount due on each disbursement shall be calculated as follows:

$$I = \frac{n}{365} \times (i) \times (p)$$

Where;

I = dollars of interest due

i = interest rate

p = unpaid balance of the disbursement

n = the number of calendar days from, but not including, the date on which a disbursement is made (or the date of the last payment) to and including the date paid. The date of disbursement is defined as the date the check is mailed from or picked up from the Board's principal place of business. The date paid is the date the loan payment is received and stamped received at the central office of the Department of Water Resources in Boise.

Article 12. IMPAIRMENTS TO PAYMENT CAPACITY

- a. Disposal of Water Outside Sponsor's Project - While this contract is in effect, no sale or other disposal of water for use outside the Sponsor's project shall be made by the Sponsor without prior approval by the Board, except for such agreements as may be in effect at the time of loan authorization by the Board. Such approval shall depend upon the Board's judgment of the effect of such action upon the Sponsor's capacity to make payments as provided in this contract.
- b. Change in Sponsor's Operation of Project - While this contract is in effect, no change shall be made in the operation of the Sponsor's project which would, in the judgment of the Board, materially impair the Sponsor's capacity to make payments to the Board as provided for herein. The Sponsor agrees to operate and maintain the system to insure its economic and efficient operation,
- c. Dissolution of Sponsor - While this contract is in effect, the Sponsor agrees to maintain its corporate identity and make no attempt to cause its corporate existence to be abolished.
- d. Transfer of Project Facilities - While this contract is in effect, the Sponsor shall make no attempt to transfer ownership or operation of the project facilities, or any part of the water system, or any water rights owned by the Sponsor, to another party without prior approval by the Board.
- e. Other Obligations Against Project or System - While this contract is in effect the Sponsor shall keep the project and system free and clear of all levies, liens and encumbrances, except for those created under this contract and those that may exist prior to this contract. The Sponsor shall not issue any superior liens, pledge, charge, or encumbrance of or against the project and system, except as allowed by the Board.
- f. Delivery of Water to Cease due to Non-Payment - The Sponsor shall not deliver water to any user that is delinquent with their payments, charges, or assessments for water service. The Sponsor shall use any and all means at its disposal to collect delinquent payments, charges, or assessments for water service.

ACCOUNTING AND REPORTING PROVISIONS

Article 13. ANNUAL FINANCIAL REPORT - While this contract is in effect, the Sponsor shall submit an annual report of its finances on or before the scheduled date of the Sponsors' annual payment.

GENERAL AND OTHER PROVISIONS

Article 14. INSPECTIONS OF PROJECT BY BOARD - The Board shall have the right to inspect the work being performed and the facilities being constructed at any and all times during the construction of the project and to inspect the project and the operation and maintenance thereof at any and all times after its completion prior to repayment and termination of the loan contract. The Sponsor shall notify the BOARD of the final inspection of the project by the Sponsor pursuant to each construction contract at least ten (10) days prior to the date for the inspection.

Article 15. BASIC OPERATION AND MAINTENANCE STANDARDS - The Sponsor shall cause the project to be operated in an efficient and economical manner, shall provide for the making of all repairs, renewals, and replacements necessary to the efficient operation of the same, and shall cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted.

Article 16. PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT BOARD PERMISSION - The Sponsor shall not sell, lease, transfer, exchange, mortgage, hypothecate or encumber in any manner whatsoever all or any portion of the project or of any real or other property owned by the Sponsor and used in conjunction therewith without prior written permission of the Board.

Article 17. BOARD TO BE HELD HARMLESS FROM PROJECT DAMAGE - The Sponsor agrees to indemnify the State of Idaho, the Idaho Water Resource Board, and their officers, agents, and employees against and to hold the same free and harmless from any and all claims, demands, damages, losses, costs, expenses, or liability due or incident to, either in whole or in part and whether directly or indirectly, the design, construction, operation, repair, maintenance, existence, or failure of the project, or of any of its works or facilities. The Sponsor may be required by the Board to carry a reasonable coverage of liability insurance for this purpose.

Article 18. REMEDIES NOT EXCLUSIVE - The use of either party of any remedy specified herein for the enforcement of this contract is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law. In the event suit for collection of any of the amounts due under this contract is required, the Board shall be entitled to collect from the Sponsor any costs and expenses of collection, including a reasonable attorney's fee.

Article 19. AMENDMENTS - This contract may be amended in writing at any time by mutual agreement of the parties, except insofar as any proposed amendments are in any way contrary to applicable law.

Article 20. OPINIONS AND DETERMINATIONS - Where the terms of this contract provide for action to be based upon the opinion, judgment, approval, review, or determination of either party thereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

Article 21. CONTRACTING OFFICER OF THE BOARD - The contracting officer of the Board shall be the Director of the Idaho Department of Water Resources and his successors, or their duly authorized representative. The contracting officer shall be responsible for all discretionary acts, opinions, judgments, approvals, reviews, and determinations required of the Board under the terms of this contract.

Article 22. SUCCESSORS AND ASSIGNS OBLIGATED - This contract and all of its provisions shall jointly and severally apply to and bind the respective heirs, personal representatives, successors, and assigns of the parties hereto.

Article 23. ASSIGNMENT - No assignment or transfer of this contract or any part shall be valid unless and until written approval is received by the Board and made subject to such reasonable terms and conditions as the Board may impose.

Article 24. WAIVER OF RIGHTS - It is the intention of the parties hereto that, from time to time, either party may waive any of its rights under this contract. Any waiver at any time by either party hereto of its rights with respect to a default or any other matter arising in connection with this contract, shall not be deemed to be a waiver with respect to any other default or matter.

Article 25. NOTICES - All notices that are required either expressly or by implication to be given by one party to the other under this contract shall be signed for the Board by its contracting officer and for the Sponsor by such officers as it may, from time to time, authorize in writing to so act. All such notices shall be deemed to have been given if delivered personally or if enclosed in a properly addressed postage-prepaid envelope and deposited in a United States Post Office for delivery by registered or certified mail. Unless and until formally notified otherwise, all notices shall be addressed to the parties at their addresses as shown on the signature page of this contract.

Article 26. INSPECTION OF BOOKS, RECORDS, AND REPORTS - During regular office hours, each of the

parties hereto and their duly authorized representative shall have the right to inspect and make copies of any books, records, or reports of the other party pertaining to this contract or matters related hereto. Each of the parties hereto shall maintain and make available for such inspection accurate records of all of its costs, disbursements, and receipts with respect to its activities under this contract.

Article 27. SUIT - In the event suit is instituted to assert any right or privilege under this contract, the Board may recover therein as attorney fees such sum as the court may adjudge as reasonable in addition to the costs and disbursements allowed by law or court rule.

Article 28. REIMBURSEMENT - The Sponsor shall pay for any cost incurred by the Board in filing, or perfecting any security interest including but not limited to, the providing of a mortgage insurance policy, or recording any instrument executed pursuant to this contract. In the event these costs are not paid by the Sponsor they shall be paid by the Board and all costs, expenses, and related attorney fees shall forthwith be due to the Board with interest thereon from the date of such payments at the highest note for which it is lawful to contract, and such amount shall be added to and be deemed a part of the debt.

Article 29. DEFAULT - In the event that the Sponsor shall fail to pay any of the sums of money due under the Contract and Promissory Note; then, as often as such failure of payment or breach of terms, conditions, covenants or provisions shall occur, the Board may at any time thereafter declare the whole of the principal sum, or so much thereof at the time of such declaration may remain unpaid, together with all sums of interest accrued thereon, to be due and payable, and the Board may, at any time after such failure of payment or breach of terms, conditions, covenants or provisions, as aforesaid, proceed to compel payment to be paid of the full amount due and payable, or may exercise every right and remedy as a secured party under the law.

Article 30. COMPLIANCE WITH APPLICABLE LAWS, RULES AND REGULATIONS - The Sponsor shall comply with all applicable local, state, and federal laws, rules, and regulations such as may govern any part of this project and contract. Failure on the part of the Sponsor to comply with any applicable local, state, and federal laws, rules and regulations shall not relieve the Sponsor of its financial obligations under this contract.

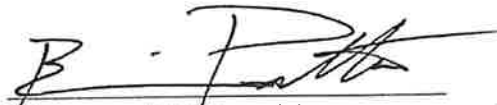
Article 31. RATE COVENANT - The Sponsor agrees that for the term of this contract the Sponsor shall establish, fix, prescribe, and collect rates and charges for water service or related services of the system, which after taking into account anticipated delinquencies, provide revenues sufficient to pay for all expenses of the system.

Contract No. 03-7B-14

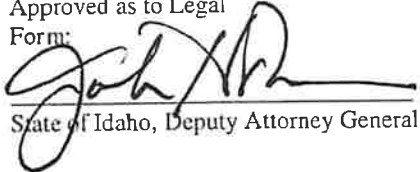
IN WITNESS WHEREOF, the parties hereto have executed this contract as of the date first hereinabove written.

IDAHO WATER RESOURCE BOARD
P.O. Box 83720
Statehouse Mail
Boise, ID 83720-9000

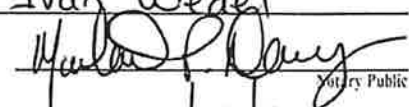
BEE LINE WATER ASSOCIATION
7193 Main St.
Bonners Ferry, ID 83805

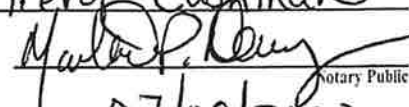

Brian Patton, Interim Administrator
Idaho Department of Water Resources


Ivan Wedel, Chairman

Approved as to Legal
Form:

State of Idaho, Deputy Attorney General


ATTEST: Secretary

JURAT
State of Idaho
County of Boundary
Subscribed and sworn/affirmed to before me this 17th day of Nov
20 14, by Ivan Wedel

Notary Public
My Commission Expires: 07/09/2020

JURAT
State of Idaho
County of Boundary
Subscribed and sworn/affirmed to before me this 21st day of Nov
20 14, by Terence Cushman

Notary Public
My Commission Expires: 07/09/2020



IWRB loan contract

SCANNED
MAY 24 2023



IDAHO WATER RESOURCE BAORD

AMENDMENT NO.1: REVOLVING DEVELOPMENT ACCOUNT LOAN CONTRACT AGREEMENT

This contract Amendment, entered into between the IDAHO WATER RESOURCE BAORD (Board) and the Bee Line Water Association (Company), is made in reference to the following facts:

RECITALS

- A. On September 23, 2014, the Board authorized a loan in the amount not to exceed \$400,000 to be used by the Company for improvements and upgrades to the existing water treatment system.
- B. Following the Board's September 23, 2014 authorization, the Board entered into a Revolving Development Loan Contract Agreement, dated October 2, 2014, with the Company.
- C. On November 17, 2015, the Board authorized increasing the loan to an amount not to exceed \$600,000. The original loan of \$400,000 was based on preliminary engineering plans. The construction bids based on final design were near \$600,000.
- D. On December 3, 2015, a second promissory note for \$200,000.00 was issued to the Bee Line Water Association for the additional loan amount.
- E. Article 20 of the Contract allows the Contract to be amended in writing at any time upon mutual agreement of the Board and the Company.

The Revolving Development Account Loan contract Agreement, dated October 2, 2014, between the Company and the Board is hereby amended as follows:

1. Delete the existing Article 4.
2. A new Article 4 shall be inserted and shall read as follows:
"The Board will loan to the Sponsor in accordance with the provisions of this contract a sum of money not to exceed SIX-HUNDRED THOUSAND DOLLARS (\$600,000) at the rate of interest specified herein."
3. Amend sections a. and c. in Article 8.
4. Amended sections a. and c. in Article 8 shall be inserted and shall read as follows:
 - a. Project Completion Date – "The Sponsor shall cause the construction of the Project to be completed no later than **December 31, 2016**, provided that said date may be extended upon written approval of the Board."
 - c. Inspection of Construction – "These inspections shall coincide with the construction of the new intake structure and slow sand filter, and at completion of the project."
5. All other provisions of the contract shall remain unchanged and in effect.

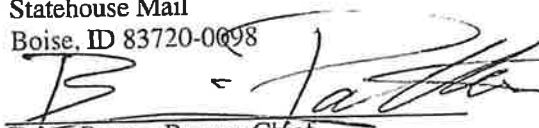
IN WITNESS WHEREOF, the parties hereto have executed this contract as of the date of the first herein above written.

IDAHO WATER RESOURCE BOARD

322 E. Front Street

Statehouse Mail

Boise, ID 83720-0098

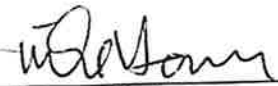

Brian Patton, Bureau Chief

Idaho Department of Water Resources

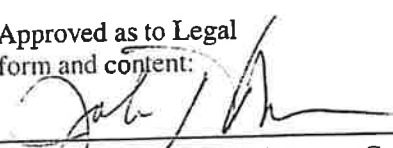
BEE LINE WATER ASSOCIATION

P.O. Box 676

Bonnors Ferry, ID 83805


Mike Hanson, Chairman

Approved as to Legal
form and content:


State of Idaho, Deputy Attorney General

SCANNED

MAY 24 2023

Loan Contract No. 03-7B-14

Recording Fee: Exempt
(see Idaho Code § 67-2301)



This block for Recorder use only.

STATEMENT OF THE LOAN
(A Lien Under Idaho Code § 42-1756(5) and (7))

Lienor: STATE OF IDAHO
IDAHO WATER RESOURCE BOARD
322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

Debtor: BEE LINE WATER ASSOCIATION
PO Box 676
Bonners Ferry, ID 83805

This statement of the loan reflects the Lienor, Idaho Water Resource Board's ("**Board**"), Revolving Development Account Loan Contract ("**Loan Contract**") and Security Agreement, both dated October 2nd, 2014, Amendment No. 1 to The Loan Contract dated December 15, 2015, Amendment No. 2 to The Loan Contract dated March 6th 2016, and Amendment No. 3 to The Loan Contract dated January 1st, 2018 entered into by the Board and Debtor.

In accordance with Idaho Code § 42-1756(5), this statement includes a summary of the loan amount, terms, and security. Pursuant to Idaho Code § 42-1756(5) and (7), this statement shall be recorded in the lien book of the county recorder(s) where the Project¹ is located.

1. Loan Amount. To finance Debtor's Project costs, the Board agreed to loan Debtor an amount of money not to exceed \$600,000.00. Debtor shall pay interest to the Board at the rate of 3.5% per annum of the unpaid balance of the amounts of money disbursed, pursuant to the Loan Contract, from the date of disbursement of each principal amount.

2. Loan Term. Subject to the conditions of the Loan Contract and Idaho Code § 42-1756(4), the Loan Contract shall remain in effect until the principal amount of the loan, all interest thereon, and any money owed to the Board under the Loan Contract has been paid in full. Subject

¹ "Project" means all works and facilities proposed to be constructed by Debtor, as described in the Loan Contract and as approved in writing by the Board. Unless a written extension is executed by the Board, construction of the Project shall be completed not later than June 30, 2018.

to mutually agreed upon modification, the Debtor shall make 15 annual and approximately equal payments to the Board, repayment commencing not later than one year from the date of final disbursement of funds for the Project.

3. Loan Security. As security for any amount loaned under the terms and conditions of the Loan Contract, and pursuant to the terms and conditions of the Security Agreement, Debtor has granted to the Board a continuing security interest in, and assigns and pledges to the Board all of Debtor's and its successors' and assigns', right, title and interest in the following collateral, whether now owned or subsequently acquired:

a. WATER RIGHTS

Water Right	Stage	Priority Date	Source	Amount
98-2133	License	11/28/1966	Meadow Creek	0.80 cfs
98-7309	License	6/25/1979	Groundwater	1.01 cfs
98-7625	License	6/2/1986	Groundwater	0.27 cfs
98-7819	License	6/2/1986	Groundwater	0.14 cfs

b. PROJECT INFRASTRUCTURE

All of the interest in the following water rights as listed in the record of the State of Idaho, Department of Water Resources, along with all easements, and rights of way, pipelines, water mains, wells, storage reservoirs, pumps, canals, dams, headgates, flumes, weirs water control structures, water treatment plants, and all other rights and privileges owned by the Sponsor or belonging to, or with, leading to, connected with, or usually had or enjoyed in connection with the following described water rights in **Bonner County, Idaho.**

I, the Executive Officer of the Idaho Water Resource Board, certify and declare under penalty of perjury pursuant to the laws of the State of Idaho, that the above is true and correct:



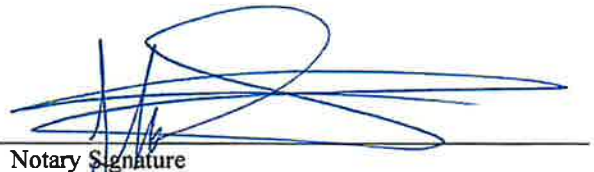
Brian Patton
Executive Officer

State of Idaho
IDAHO WATER RESOURCE BOARD
322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

State of Idaho

County of Ada

This instrument was signed or acknowledged before me on February 23, 2023
by Brian Patton


Notary Signature

Printed Name Jennifer Strange

Commission expires: 3-2-2028