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6. All advances by the Government as described in this instrument, with interest, shall be immediately due and payable by Borrower to the Government without demand at the place designated in the notes and shall be secured hereby. No such advance by the Government shall relieve Borrower from breach of its covenant to pay. Such advances, with interest, shall be repaid from the first available collections received from Borrower. Otherwise, any payment made by Borrower may be applied on the notes or any indebtedness to the Government secured hereby, in any order the Government determines.

7. To use the loan evidenced by the notes solely for purposes authorized by the Government.

8. To pay when due all taxes, liens, judgments, encumbrances, and assessments lawfully attaching to or assessed against the property and promptly deliver to the Government without demand receipts evidencing such payments.

9. To pay from its own funds the amount of any excess installation costs resulting from failure to obtain adequate land, rights-of-way, or subordinations.

10. To keep the property insured as required by and under insurance policies approved by, delivered to, and retained by the Government.

11. To maintain said property in proper repair and good condition; to commit or suffer no waste or exhaustion of said property; and to remove or demolish no building or other improvement on said property, without the consent of Government; and promptly to effect such repairs to said property as Government may from time to time require.

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12. To perform, comply with and abide by each and every agreement, condition and covenant contained in said instrument(s) of debt, in any extension or renewal thereof, in any agreement supplementary thereto and in this mortgage; to furnish in such form and at such time as Government shall request statements of annual income and expenses and other information concerning Borrower's operations as Government may request; and to comply with all laws, ordinances and regulations affecting said property or its uses.

13. To provide adequate bond coverage for all officials and employees handling substantial amounts of money.

14. To transmit to the Farmers Home Administration at the end of the fiscal year, a proposed budget for the following year, setting out clearly the estimated income and expenses for the following year. If significant changes from the preceding year's budget are proposed, they must be accompanied by a written narrative supporting the proposed changes.

15. To transmit to the Farmers Home Administration as soon as possible after the end of the Borrower's fiscal year a complete and detailed audit report, made by a qualified independent auditor. The audit may be in the form desired by the Borrower, but must consist of a balance sheet showing the Borrower's current financial position at the end of the year, and an operating statement showing the results of operations for the year just closed.

16. To submit proposed changes to the Bylaws, Rules and Regulations, and Rate Schedules to the Farmers Home Administration for approval before adoption.

17. To submit to the Farmers Home Administration for approval all change orders which affect the construction contract.

18. To provide the Farmers Home Administration an as-built plan of the water collection, production, storage, treating, transmission, and distribution system, along with a complete list and description of all work and materials, with unit and total costs, actually used in construction of the system, within 30 days after the system is completed and in operation.

19. To comply with all laws, ordinances, and regulations affecting the property.

20. To pay or reimburse the Government for expenses reasonably necessary or incidental to the protection of the lien and priority hereof and to the enforcement of or the compliance with the provisions hereof and of the note or any supplementary agreement (whether before or after default), including but not limited to costs of evidence of title to and survey of the property, costs of recording this and other instruments, attorneys' fees, trustees' fees, court costs, and expenses of advertising, selling, and conveying the property.