

OVERTON POWER DISTRICT NO 5
STATEMENT OF OPERATIONS
FROM 01/26 THROUGH 03/26

LINE NO		----- YEAR TO DATE -----			
		LAST YEAR A	THIS YEAR B	BUDGET C	THIS MONTH D
1.0	OPERATING REVENUE & PATRONAGE CAPITAL....	12,711,211.06	13,695,691.86	13,634,893.00	4,160,144.40
2.0	POWER PRODUCTION EXPENSE.....	.00	.00	.00	.00
3.0	COST OF PURCHASED POWER.....	8,485,806.52-	8,089,541.44-	7,798,144.00-	2,424,838.97-
4.0	TRANSMISSION EXPENSE.....	319,164.52-	256,067.82-	287,786.00-	78,828.79-
5.0	REGIONAL MARKET OPERATIONS EXPENSE.....	.00	.00	.00	.00
6.0	DISTRIBUTION EXPENSE-OPERATION.....	389,519.78-	384,708.03-	457,392.06-	65,149.31-
7.0	DISTRIBUTION EXPENSE-MAINTENANCE.....	832,241.95-	663,744.51-	953,411.46-	219,089.25-
8.0	CONSUMER ACCOUNTS EXPENSE.....	430,659.54-	429,748.77-	471,164.11-	131,657.34-
9.0	CUSTOMER SERVICE & INFORMATIONAL EXPENSE.	4,894.98-	3,376.22-	10,406.89-	556.22-
10.0	SALES EXPENSE.....	.00	.00	.00	.00
11.0	ADMINISTRATIVE & GENERAL EXPENSE.....	1,108,964.77-	1,206,053.84-	1,268,354.00-	430,962.42-
12.0	TOTAL OPERATIONS & MAINTENANCE EXPENSE...	11,571,252.06-	11,033,240.63-	11,246,658.52-	3,351,082.30-
13.0	DEPRECIATION & AMORTIZATION EXPENSE.....	766,089.34-	816,813.77-	809,868.00-	273,011.25-
14.0	TAX EXPENSE - PROPERTY & GROSS RECEIPTS..	.00	.00	.00	.00
15.0	TAX EXPENSE - OTHER.....	.00	.00	.00	.00
16.0	INTEREST ON LONG TERM DEBT.....	424,437.20-	457,850.05-	634,834.97-	187,299.17-
17.0	INTEREST CHARGED TO CONSTRUCTION - CREDIT	.00	.00	.00	.00
18.0	INTEREST EXPENSE - OTHER.....	.00	.00	.00	.00
19.0	OTHER DEDUCTIONS.....	41,029.71-	41,029.71-	41,029.78-	13,676.57-
20.0	TOTAL COST OF ELECTRIC SERVICE.....	12,802,808.31-	12,348,934.16-	12,732,391.27-	3,825,069.29-
21.0	PATRONAGE CAPITAL & OPERATING MARGINS....	91,597.25-	1,346,757.70	902,501.73	335,075.11
22.0	NON OPERATING MARGINS - INTEREST.....	260,646.05	77,588.61	49,999.97	25,914.95
23.0	ALLOW. FOR FUNDS USED DURING CONSTRUCTION	.00	.00	.00	.00
24.0	INCOME (LOSS) FROM EQUITY INVESTMENTS....	.00	.00	.00	.00
25.0	NON OPERATING MARGINS - OTHER.....	.00	.00	75,000.00-	.00
26.0	GENERATION & TRANSMISSION CAPITAL CREDITS	.00	.00	.00	.00
27.0	OTHER CAPITAL CREDITS & PATRONAGE DIVID..	32,328.12	.00	12,552.00	.00
28.0	EXTRAORDINARY ITEMS.....	.00	.00	.00	.00
29.0	PATRONAGE CAPITAL OR MARGINS.....	201,376.92	1,424,346.31	890,053.70	360,990.06

OVERTON POWER DISTRICT NO 5
BALANCE SHEET
AS OF 03/31/26

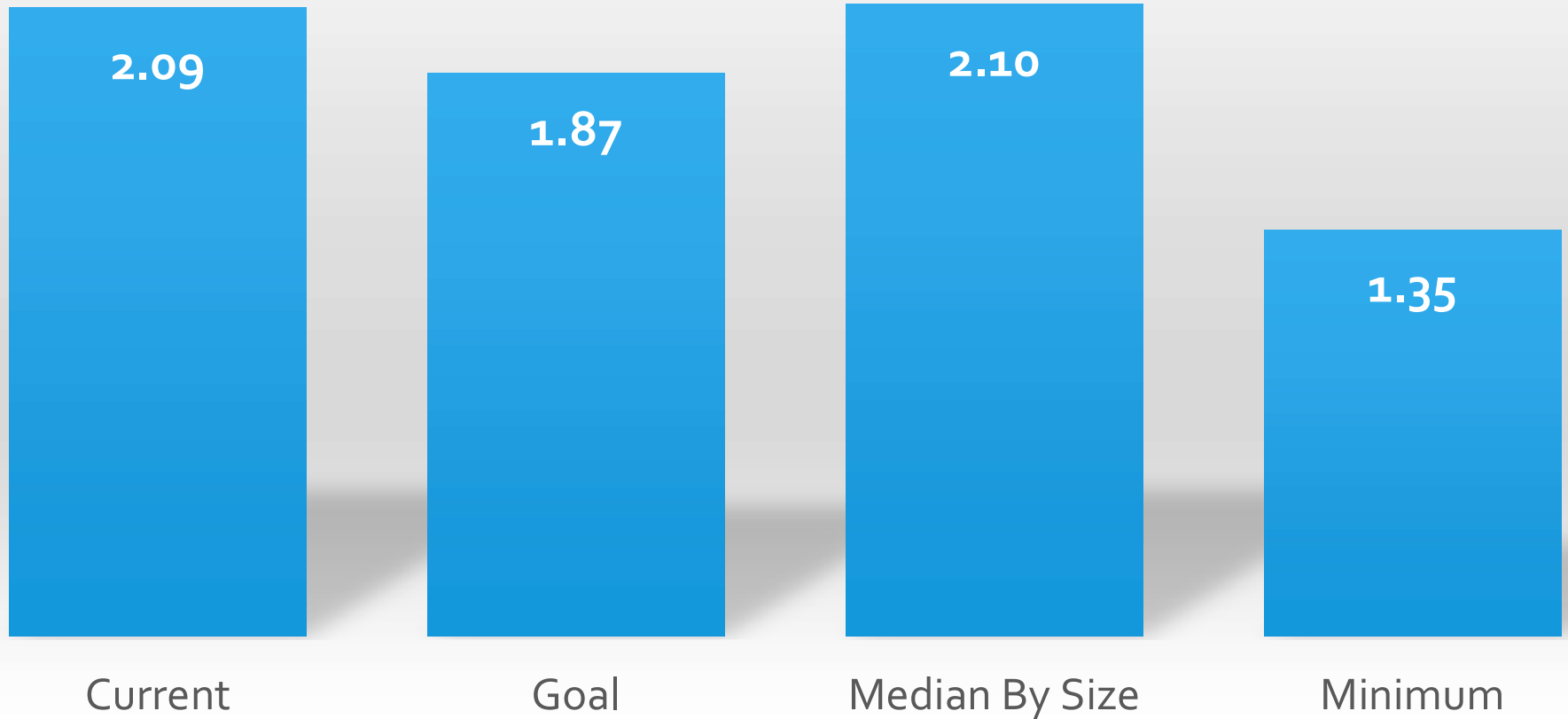
LINE NO	ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS		
1.0	TOTAL UTILITY PLANT IN SERVICE	174,556,955.22	30.0	MEMBERSHIPS	.00
2.0	CONSTRUCTION WORK IN PROGRESS	48,029,748.61	31.0	PATRONAGE CAPITAL	.00
3.0	TOTAL UTILITY PLANT	222,586,703.83	32.0	OPERATING MARGINS-PRIOR YEARS	107,170,468.17-
4.0	ACCUM PROV FOR DEP & AMORT	54,153,313.79-	33.0	OPERATING MARGINS-CURRENT YEAR	5,416,068.36-
5.0	NET UTILITY PLANT	168,433,390.04	34.0	NON-OPERATING MARGINS	745,503.61-
6.0	NON-UTILITY PROPERTY (NET)	.00	35.0	OTHER MARGINS & EQUITIES	20,395,633.49-
7.0	INVEST IN SUBSIDIARY COMPANIES	.00	36.0	TOTAL MARGINS & EQUITIES	133,727,673.63-
8.0	INV IN ASSOC ORG - PAT CAPITAL	3,945,720.77	37.0	LONG TERM DEBT - RUS (NET)	.00
9.0	INV IN ASSOC ORG OTHR GEN FND	.00		(PAYMENTS-UNAPPLIED	.00)
10.0	INV IN ASSOC ORG - NON GEN FND	.00	38.0	LNG-TERM DEBT-FFB-RUS GUAR	.00
11.0	INV IN ECON DEVEL PROJECTS	.00	39.0	LONG-TERM DEBT OTHER-RUS GUAR	.00
12.0	OTHER INVESTMENTS	.00	40.0	LONG TERM DEBT - OTHER (NET)	49,440,407.07-
13.0	SPECIAL FUNDS	.00	41.0	LNG-TERM DEBT-RUS-ECON DEV NET	.00
14.0	TOT OTHER PROP & INVESTMENTS	3,945,720.77	42.0	PAYMENTS - UNAPPLIED	.00
15.0	CASH - GENERAL FUNDS	3,887,629.12	43.0	TOTAL LONG TERM DEBT	49,440,407.07-
16.0	CASH - CONSTRUCTION FUND TRUST	.00	44.0	OBLIGATION UNDER CAPITAL LEASE	.00
17.0	SPECIAL DEPOSITS	.00	45.0	ACCUM OPERATING PROVISIONS	.00
18.0	TEMPORARY INVESTMENTS	7,075,976.81	46.0	TOTAL OTHER NONCURR LIABILITY	.00
19.0	NOTES RECEIVABLE (NET)	.00	47.0	NOTES PAYABLE	.00
20.0	ACCTS RECV - SALES ENERGY (NET)	4,009,076.15	48.0	ACCOUNTS PAYABLE	5,146,832.49-
21.0	ACCTS RECV - OTHER (NET)	988,756.01	49.0	CONSUMER DEPOSITS	369,900.00-
22.0	RENEWABLE ENERGY CREDITS	.00	50.0	CURR MATURITIES LONG-TERM DEBT	.00
23.0	MATERIAL & SUPPLIES-ELEC & OTH	5,131,477.40	51.0	CURR MATURE LT DEBT ECON DEV	.00
24.0	PREPAYMENTS	250,994.95	52.0	CURR MATURITIES CAPITAL LEASES	.00
25.0	OTHER CURRENT & ACCR ASSETS	.00	53.0	OTHER CURRENT & ACCRUED LIAB	1,582,307.10-
26.0	TOTAL CURRENT & ACCR ASSETS	21,343,910.44	54.0	TOTAL CURRENT & ACCRUED LIAB	7,099,039.59-
27.0	REGULATORY ASSETS	.00	55.0	REGULATORY LIABILITIES	.00
28.0	OTHER DEFERRED DEBITS	2,119,029.87	56.0	OTHER DEFERRED CREDITS	5,574,930.83-
29.0	TOTAL ASSETS & OTHER DEBITS	195,842,051.12	57.0	TOTAL LIABILITIES & OTH CREDIT	195,842,051.12-

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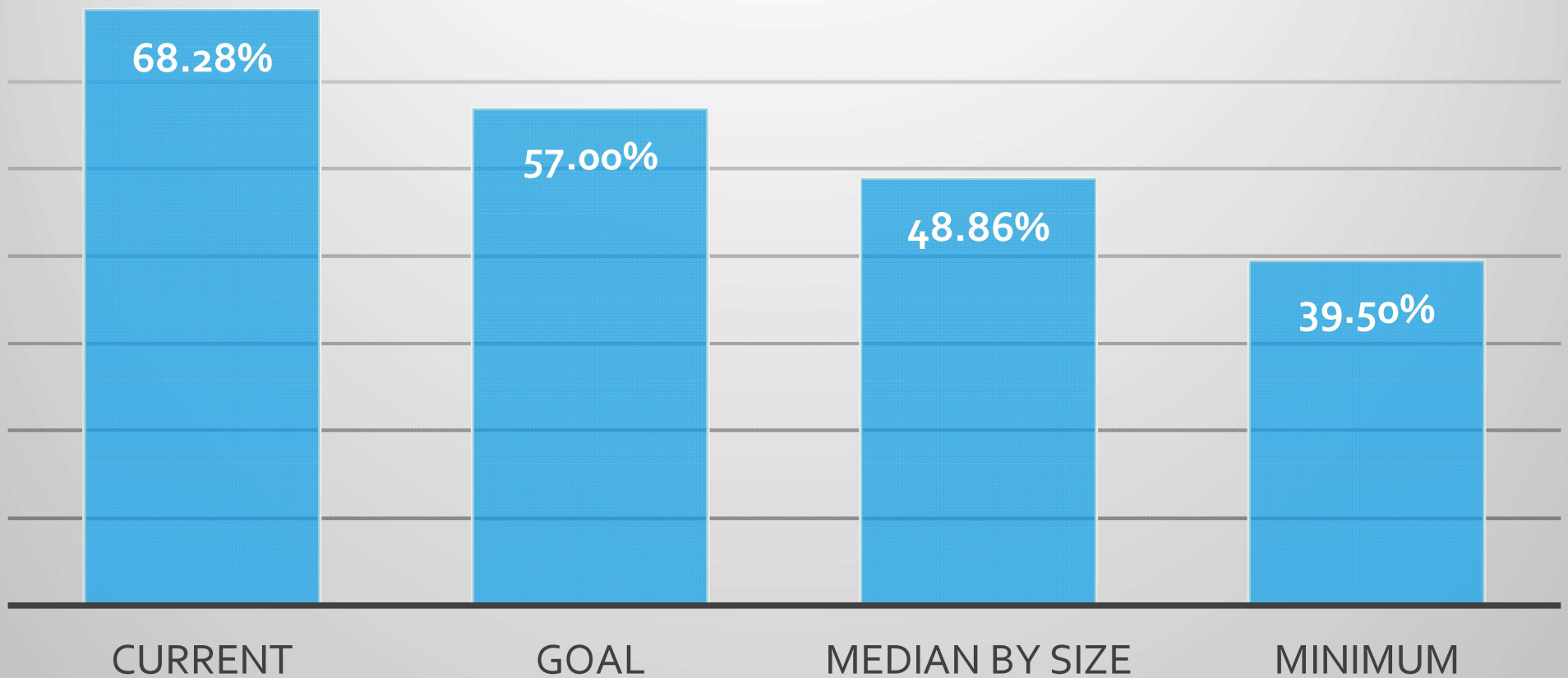
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MDSC



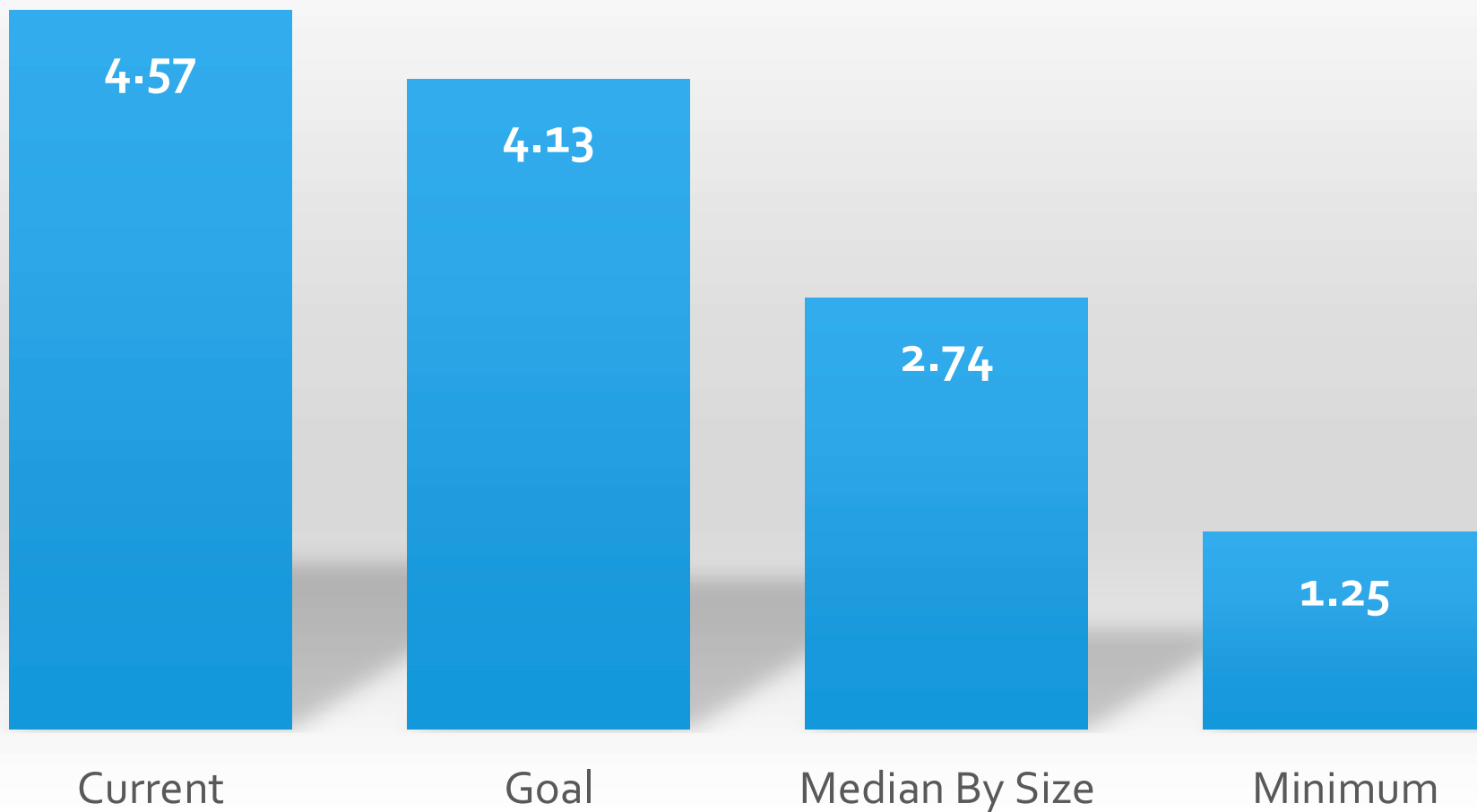
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Equity as a % of Assets



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TIER





March-26

Beginning Balance	\$	4,298,225		
Western Alliance 1.4%	\$	3,854,961		
America First Credit Union 1.00%	\$	31,790	\$	10
Western Alliance Investment 3.44%	\$	143,330	\$	1,852
CFC Member Capital Sec 5%	\$	500,000		
Month Ending Balance	\$	4,530,082		
Net Increase/Decrease Prior Month	\$	231,856		

YTD Dividend Received



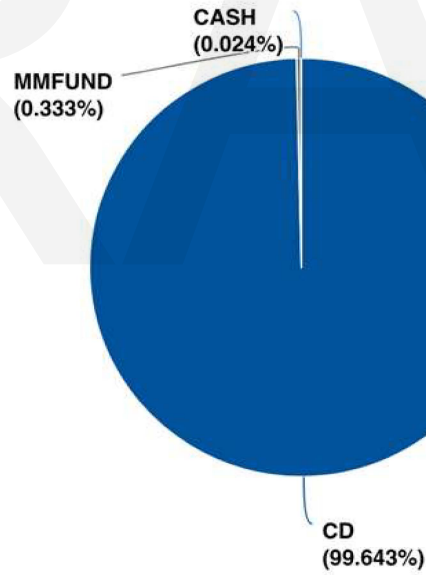
Report:
Account:
Date:

GAAP Financials
Moreton-Overton Power Dist #5 (279263)
10/06/2021 -03/31/2026

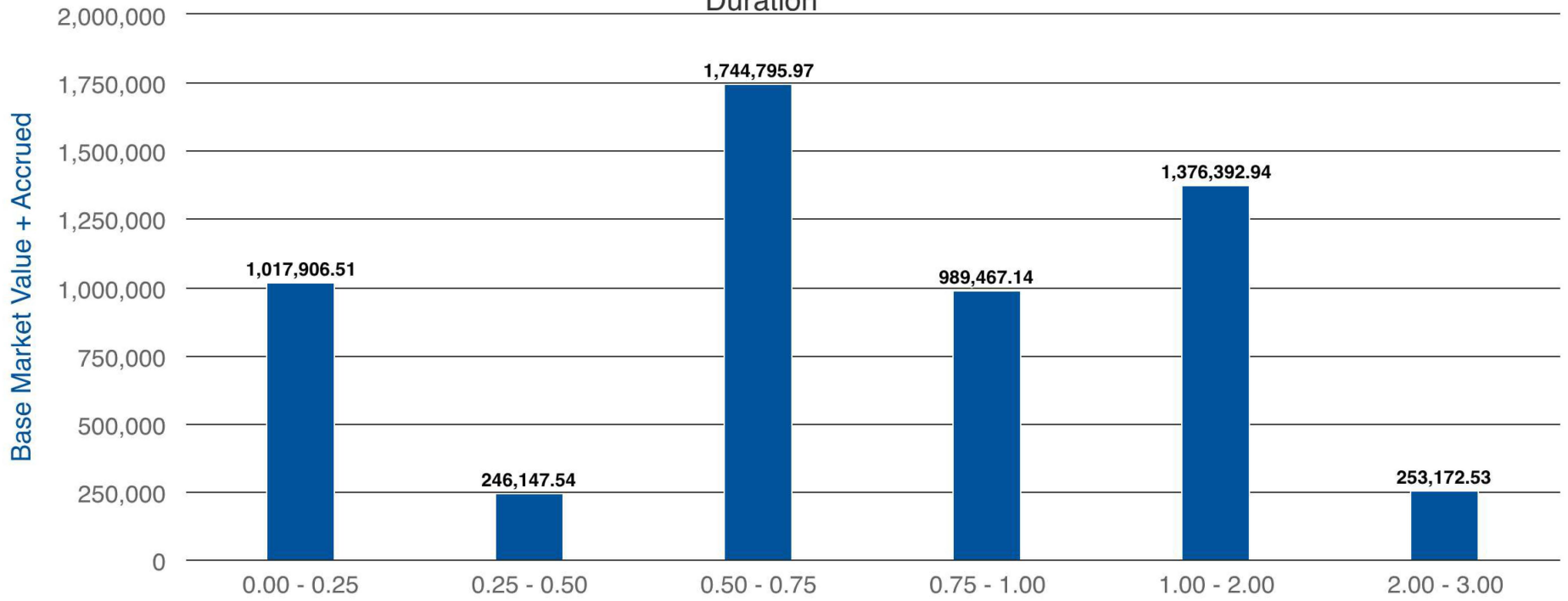
		Moreton-Overton Power Dist #5		
		3/31/2026		
Balance Sheet				YTD Dividend Received
Book Value less Due			5,531,387.21	
Due and Accrued			46,296.15	
Book Value + Accrued - 5.089%		\$	5,577,683.36	\$ 75,272
Net Unrealized Carrying Value Gain			50,199.27	
Carrying Value and Accrued			5,627,882.63	
Goldman Sachs Group - 3.55%		\$	854,335.85	\$ 25

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Security Type



Duration





Report: Purchase Yield
Account: Moreton-Overton Power Dist #5 (279263)
As of: 03/31/2026

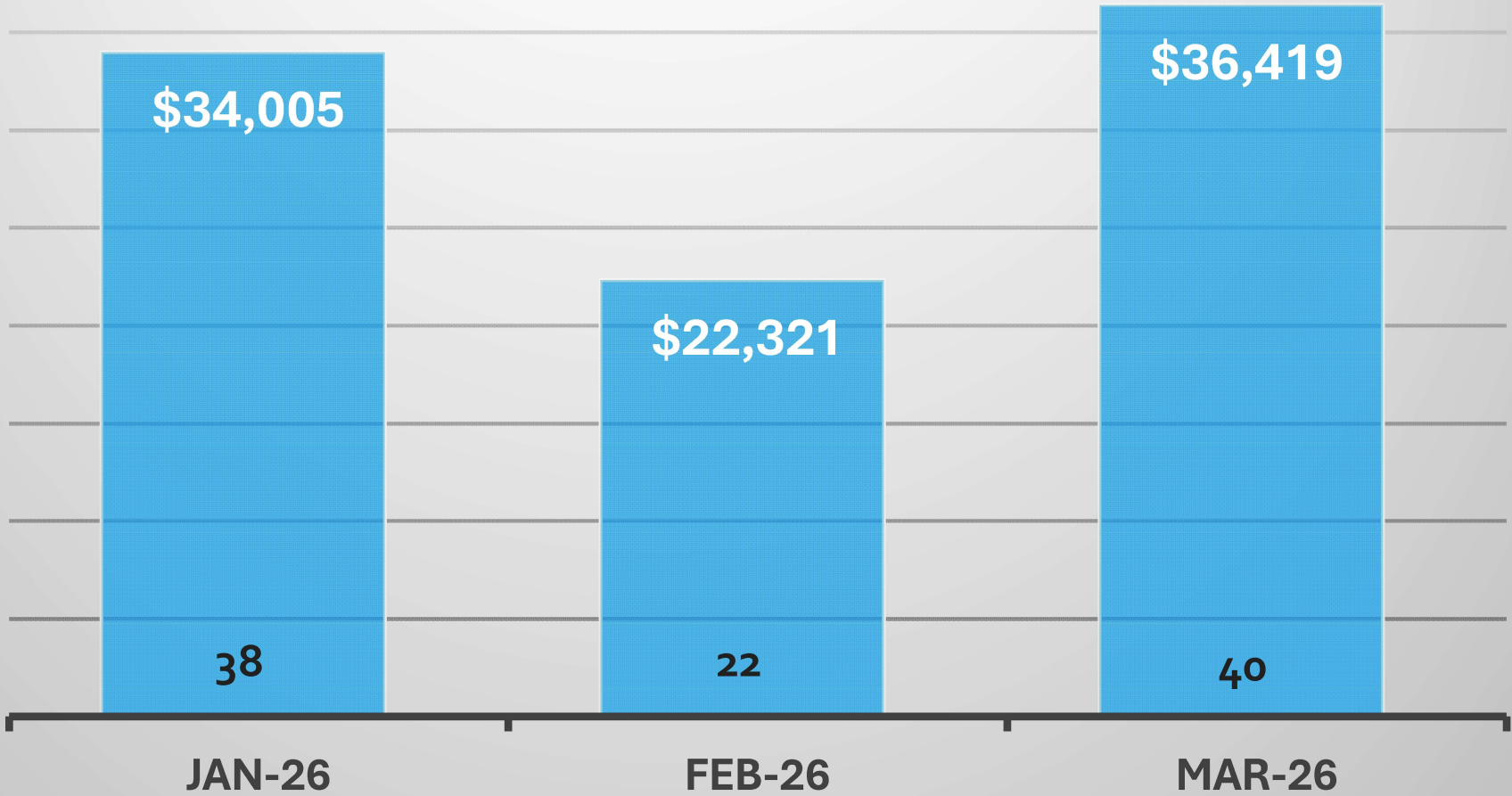
CUSIP	Description	Original Cost	Security Type	Purchase Yield	Final Maturity	Net Unrealized Gain/Loss
CCYUSD	Receivable	1,328.82	CASH	0.000	03/31/2026	0.00
37424PAH7	Gesa Credit Union	244,632.50	CD	5.304	07/31/2026	1,153.13
722000AA4	Pima Federal Credit Union	244,510.00	CD	5.213	02/17/2027	2,806.02
130162BC3	California Federal Credit Union	244,632.50	CD	5.505	10/26/2026	2,274.68
444425AG7	Hughes Federal Credit Union	244,632.50	CD	5.604	10/26/2026	2,365.39
108622PJ4	Bridgewater Bank	244,632.50	CD	5.154	11/03/2026	1,809.68
560507AS4	Maine Savings Federal Credit Union	244,510.00	CD	5.256	11/08/2027	5,150.44
67054NBN2	Numerica Credit Union	249,625.00	CD	5.604	11/10/2026	2,583.80
949764HG2	Wells Fargo Bank, National Association	244,510.00	CD	5.105	11/08/2027	4,611.30
92023CAH6	ValleyStar Credit Union	244,632.50	CD	5.554	11/09/2026	2,485.17
90355GHN9	UBS Bank USA, National Association	244,632.50	CD	5.204	11/09/2026	1,970.67
05580A4K7	BMW Bank of North America	244,715.80	CD	5.300	05/11/2026	382.40
77357DAC2	Rockland Federal Credit Union	244,632.50	CD	4.954	12/21/2026	1,889.19
61934MAE4	Morton Lane Federal Credit Union	119,760.00	CD	4.405	12/28/2027	1,015.28
369674CP9	General Electric Credit Union	244,632.50	CD	4.453	02/01/2027	1,212.36
42869GAA4	Lokahi Federal Credit Union	244,632.50	CD	4.454	01/29/2027	1,172.43
849061AF3	Spokane Teachers Credit Union	244,632.50	CD	4.804	03/25/2027	2,151.20
61690DQP6	Morgan Stanley Bank, N.A.	244,510.00	CD	4.972	05/10/2027	2,858.31
23204HPK8	Customers Bank	244,510.00	CD	4.856	06/12/2028	4,865.33
27004PEY5	Eaglemark Savings Bank	244,755.00	CD	5.103	06/12/2026	516.61
34520LBD4	Forbright Bank	244,632.50	CD	4.904	06/14/2027	2,837.44
04911LAX1	Atlantic Union Bank	244,755.00	CD	5.153	06/17/2026	581.99
919853MF5	Valley National Bank	244,755.00	CD	5.103	06/22/2026	664.45
02357QCH8	Amerant Bank, National Association	244,632.50	CD	4.854	06/28/2027	2,842.00
31846V336	FIRST AMER:GVT OBLG X	18,737.43	MMFUND	3.580	03/31/2026	0.00
---	---	5,526,572.05	---	5.089	-	50,199.27

OPD5 TOTAL CUSTOMERS

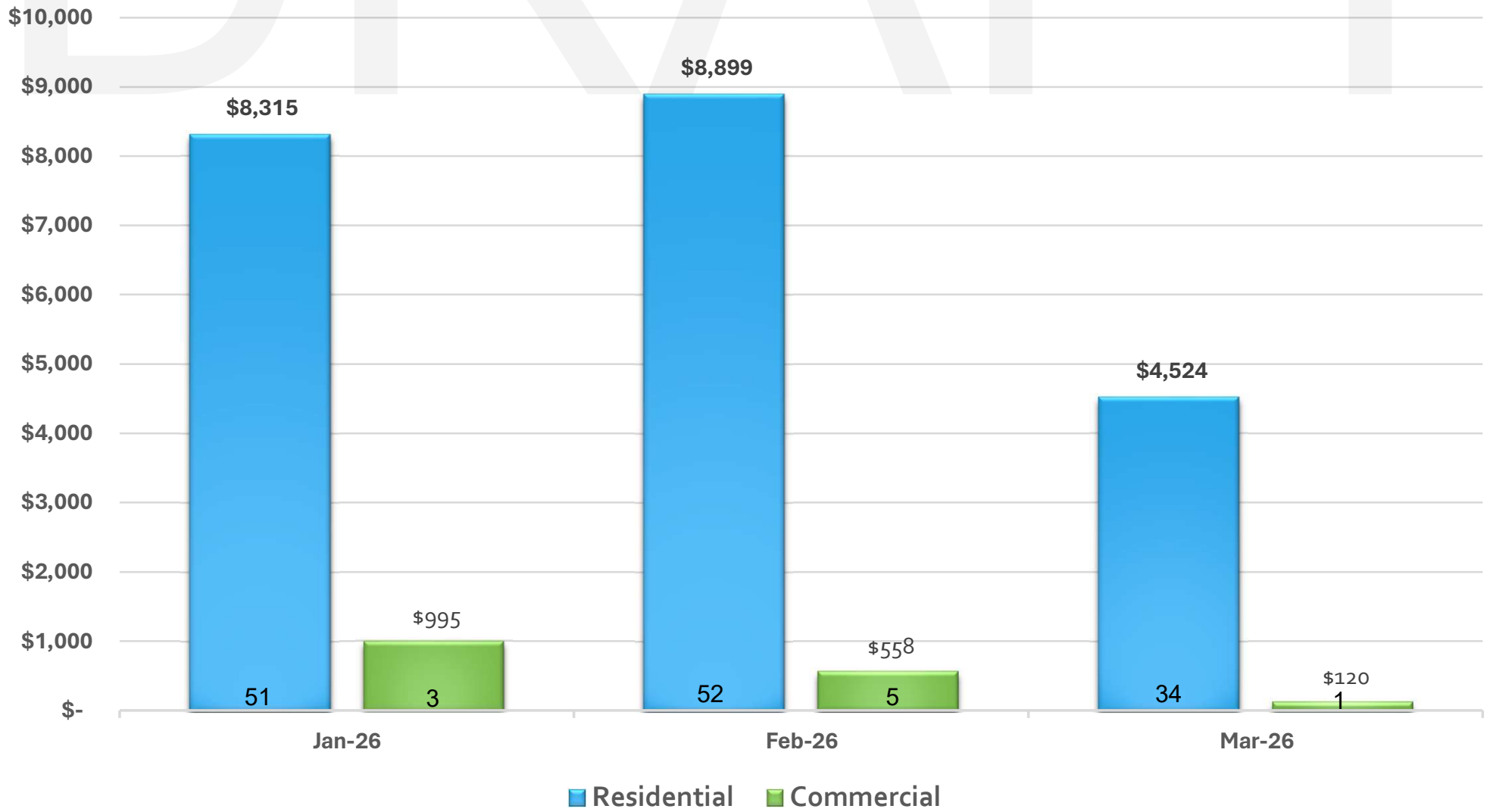
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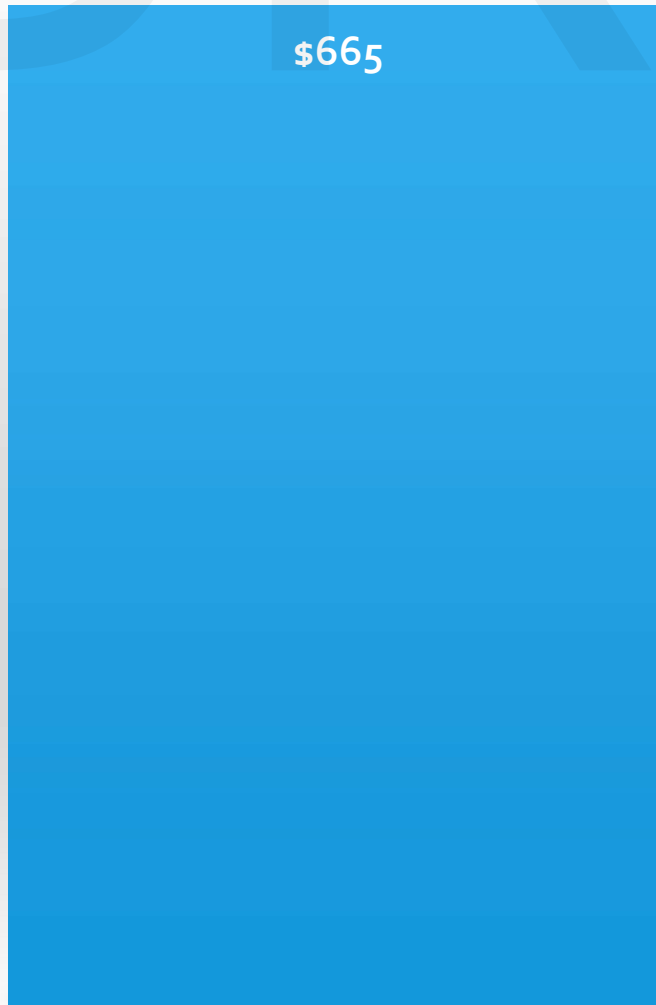
Connection Fees



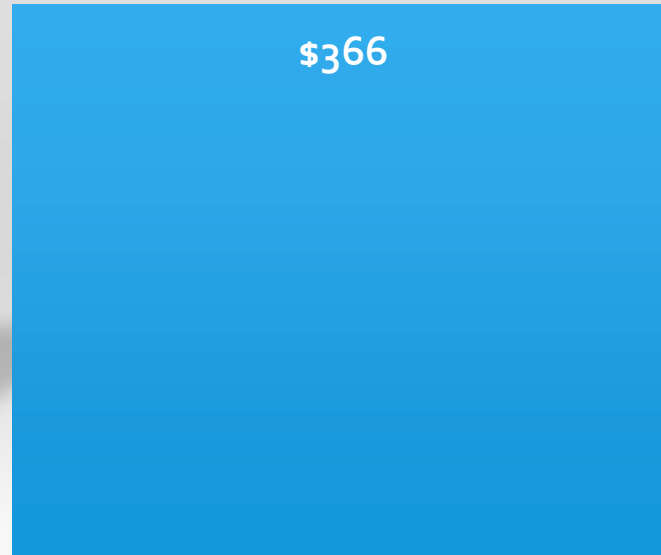
CURRENT BILLING ARRANGEMENTS



ROUND UP PROGRAM



Virgin Valley



Moapa Valley

CFC FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION				
		NV 004		OPD5		
		YEAR ENDING		12/31/2026		
PART R. POWER REQUIREMENTS DATA BASE						
CLASSIFICATION	CONSUMER SALES & REVENUE DATA	January (b)	February (c)	March (d)	Totals	Cents per kWh
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	15,983	16,030	16,067	7,992	0.1380
	b. KWH Sold	17,015,411	16,686,769	12,245,100	45,947,280	
	c. Revenue	2,306,878	2,262,607	1,770,572	6,340,057	
2. Residential Sales - Seasonal	a. No. Consumers Served				0	
	b. KWH Sold				0	
	c. Revenue				0	
3. Irrigation Sales	a. No. Consumers Served	33	34	34	17	0.1441
	b. KWH Sold	55,388	37,808	48,547	141,743	
	c. Revenue	7,220	6,008	7,202	20,429	
4. Comm. and Ind. 1000 KVA or Less 500 kW or Less	a. No. Consumers Served	2,640	2,658	2,637	1,320	0.1301
	b. KWH Sold	5,844,800	6,080,601	5,319,665	17,245,066	
	c. Revenue	757,906	778,200	706,999	2,243,106	
5. Comm. and Ind. Over 1000 KVA 500 kW or More	a. No. Consumers Served	19	19	19	10	0.1131
	b. KWH Sold	8,353,985	8,555,439	7,904,536	24,813,960	
	c. Revenue	934,586	975,536	895,571	2,805,693	
6. Public Street & Highway Lighting	a. No. Consumers Served	271	271	274	136	0.1685
	b. KWH Sold	129,859	126,343	106,061	362,263	
	c. Revenue	21,244	20,873	18,912	61,029	
7. Other Sales to Public Authority	a. No. Consumers Served	257	257	257	129	0.1165
	b. KWH Sold	2,280,770	2,334,706	2,127,597	6,743,073	
	c. Revenue	263,569	274,266	248,019	785,853	
8. Sales for Resales-REA Borrowers	a. No. Consumers Served				0	
	b. KWH Sold				0	
	c. Revenue				0	
9. Sales for Resales-Other	a. No. Consumers Served	3	3	3	2	0.1047
	b. KWH Sold	2,517,218	2,292,383	2,173,563	6,983,164	
	c. Revenue	260,501.44	239,199	231,410	731,110	

CFC	BORROWER DESIGNATION				
FINANCIAL AND STATISTICAL REPORT	NV 004	OPD5			
	YEAR ENDING		12/31/2026		

PART R. POWER REQUIREMENTS DATA BASE

CLASSIFICATION	CONSUMER SALES & REVENUE DATA	January (b)	February (c)	March (d)	Totals	Cents per kWh
10. TOTAL No. of Consumers (lines 1a thru 9a)		19,206	19,272	19,291	9,603	
11. TOTAL KWH Sold (lines 1b thru 9b)		36,197,431	36,114,049	29,925,069	102,236,549	
12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)		4,551,905	4,556,689	3,878,685	12,987,279	0.1270
13. Other Electric Revenue		248,787	178,167	281,459	708,413	
14. KWH - Own Use		51,781	50,605	40,808	143,194	
15. TOTAL KWH Purchased		39,368,015	32,156,213	35,604,211	107,128,438	
16. TOTAL KWH Generated					0	
17. Cost of Purchases and Generation		3,349,149	2,315,553	2,424,839	8,089,541	
18. Interchange - KWH - Net					0	
19. Peak - Sum All KW Input (Metered)					0	
Non-coincident <input checked="" type="checkbox"/> Coincident <input type="checkbox"/>		94,472	91,773	92,846	94,472	

Monthly Cost	0.0838	0.0695	0.0656
Monthly Revenue	0.1274	0.1277	0.1314
2026 Avg Cost	0.0838	0.0767	0.0730

**OVERTON POWER DISTRICT NO. 5
C.F.C. LOAN STATUS**

LINE OF CREDIT BALANCE OWED	N/A	\$	-
QUARTERLY PAYMENT DUE	March 31, 2026	\$	1,527,358.60

LONG-TERM LOANS

		Interest Rate	Interest Rate	Effective Interest Rate	Maturity Date
	Principal				
9000001	\$ 711,550.00	2.28%		1.82%	Sep-28
9000002	711,550.00	2.28%		1.82%	Sep-28
9000003	1,001,555.77	2.28%		1.82%	Sep-28
9000004	1,033,364.02	4.90%		4.44%	Sep-28
9000006	893,371.12	2.41%		1.95%	Sep-28
9000007	906,989.01	5.18%		4.81%	Sep-28
9000008	958,183.46	5.05%		4.59%	Sep-28
9000009	963,414.36	4.10%		3.64%	Sep-28
9002001	11,304,454.83	4.60%		4.14%	Dec-38
9002002	37,118.64	4.60%		4.14%	Dec-38
9003001	15,247,352.29	3.98%		3.52%	Dec-46
9003002	7,689,418.51	3.91%		3.45%	Dec-41
9003003	1,992,865.24	5.19%	12/01/27	4.82%	Sep-55
9003004	2,989,219.82	5.15%	01/01/28	4.78%	Sep-55
9003005	3,000,000.00	5.21%	03/01/29	4.84%	Dec-50
	\$ 49,440,407.07				

Avg Interest Rate After Discounts 3.78%

VOID	CHECK	SEQ BRK	DATE	VENDOR	NAME	AMOUNT	DESCRIPTION
	4662		3/06/26	5763	TENASKA POWER SERVICES CO.	2,767,423.07	TPS JANUARY 2026 POWER
	4663		3/11/26	4687	WESTERN ALLIANCE BANK	227,000.00	TRANSFER PR#2606 & 2652
	4664		3/13/26	4953	HSA BANK	7,859.14	EMPLOYEE HSA CONTRIBUTIONS
	4665		3/06/26	2046	NRECA	60.00	REA# 29004 - HRA ACCOUNT - ADMIN
	4666		3/20/26	4687	WESTERN ALLIANCE BANK	10,892.84	VISA CHARGES
	4667		3/24/26	4687	WESTERN ALLIANCE BANK	228,500.00	TRANSFER PR#2607 & 2653
	4668		3/27/26	4953	HSA BANK	7,884.14	EMPLOYEE HSA CONTRIBUTIONS
	4669		3/26/26	4953	HSA BANK	52.50	HSA DEBIT
	4670		3/31/26	3953	CFC, INC.	1,527,358.60	QUARTERLY PAYMENT
	60721	*	3/02/26	565	CLARK COUNTY RECORDER	42.00	LIEN RELEASE
	60722		3/02/26	1586	LIN'S SUPERMARKETS INC.	868.06	SAFETY DEMO TRAILER SUPPLIES SAFETY TRAINING BOARD MEETING WATER - OVERTON OFFICE OFFICE SUPPLIES JUICE, MUFFINS, STRUDEL - AUDIT FLAGGER TRAINING - SAFETY MTG FLAGGER TRAINING EMPLOYEE FAREWELL
	60723		3/02/26	1805	MESQUITE LUMBER & SUPPLY	383.44	LIFTING SLING, ARTICULATED E TRA GRAY SPRAY PAINT BATTERIES, BNDR CHAIN STL 5/16" HEX BUSH, HOSE BARB GRAY SPRAY PAINT CONN SET SCREW EMT 2" GREAT STUFF TRP20 OZ SANDPAPER
	60724		3/02/26	1940	MOAPA VALLEY WATER DISTRICT	171.61	REFUND ADVANCE DEPOSIT BALANCE
	60725		3/02/26	2045	NRECA	126,856.50	2026 INSURANCE PREMIUM
	60726		3/02/26	2120	NEVADA RURAL ELECTRIC ASSOC	467.00	NREA GENERAL MEMBERSHIP 2026 FEE
	60727		3/02/26	2173	NORTHERN POWER EQUIPMENT	1,760.00	6 SPOT 500MCM BUSS BARS
	60728		3/02/26	2234	OVERTON ACE HARDWARE	3.18	3" BLK/SLV ADHV 1PC
	60729		3/02/26	2490	RELIANCE CONNECTS	1,584.72	MESQUITE PHONES
	60730		3/02/26	3304	VIRGIN VALLEY WATER DISTRICT	1,492.07	HYD MTR- OPD SI TORTOISE TO GILA

VOID	CHECK	SEQ BRK	DATE	VENDOR	NAME	AMOUNT	DESCRIPTION
							HYD MTR- OPD SI SANDHILL UG MESQUITE WATER
	60731		3/02/26	3793	WHIPPLE JAY D	100.00	PEST CONTROL SERVICE
	60732		3/02/26	4210	CRONKLETON, KELLY	28.82	REIMBURSE NRECA EXP
	60733		3/02/26	4259	SHERWIN-WILLIAMS COMPANY	20.56	MASK PAPER, FROG TAPE
	60734		3/02/26	5575	PRATT PHILLIP	6,081.00	OPGW SPLCNG RAPTOR TO LONG DRIVE
	60735		3/02/26	5585	AGUILAR PABLO	1,650.00	MAINTENANCE OF VEHICLES MAINTENANCE OF VEHICLES
	60736		3/02/26	5776	DESERT FIRE PROTECTION LP	1,420.00	SEMI ANNUAL TEST AND INSP. QUARTERLY INSPECTION QUARTERLY INSPECTION
	60737		3/02/26	5820	TAYLOR MADE FENCING LLC	2,635.60	REPLCE/REATTCH 7' CHAIN LINK INSTALL 6' TALL WALK GATE REPLCE DROP RODS/GUIDE DRIVE GAT
	60738		3/09/26	1084	HANSEN, KEVEN	86.00	PER DIEM - NREA BEST PRACTICES
	60739		3/09/26	1920	MOAPA VALLEY TELEPHONE	2,921.74	MOAPA PHONES
	60740		3/09/26	1980	MORCON INDUSTRIAL NEVADA INC	81.84	#18 X1LB NEON YELLOW TWINE WHITE KNIT RAGS 20# BOX
	60741		3/09/26	2491	RIO VIRGIN TELEPHONE CO.	781.21	PHONE SERVICE
	60742		3/09/26	3285	VIRGIN VALLEY DISPOSAL	788.58	DISPOSAL SERVICE
	60743		3/09/26	3722	BOYCE, INC.	150.00	PORTABLE TOILET RNTL -JOB 200001
	60744		3/09/26	3842	DALTON, CHAD	86.00	PER DIEM - NREA BEST PRACTICES
	60745		3/09/26	3844	LEAVITT, KYLE	86.00	PER DIEM - NREA BEST PRACTICES
	60746		3/09/26	3868	CLARK COUNTY TREASURER	18,903.08	RP.B9B22022 LOGANDALE SPORTS COM
	60747		3/09/26	4047	EVANS, BOYD	86.00	PER DIEM - NREA BEST PRACTICES
	60748		3/09/26	4141	WHITNEY, LUKE	86.00	PER DIEM - NREA BEST PRACTICES
	60749		3/09/26	4143	BARLOW, STEVE	86.00	PER DIEM - NREA BEST PRACTICES
	60750		3/09/26	4253	EVERITT, DAVID	86.00	PER DIEM - NREA BEST PRACTICES
	60751		3/09/26	4259	SHERWIN-WILLIAMS COMPANY	10.99	RAVEN NITRILE GLOVES
	60752		3/09/26	4333	JANTZ, BENJAMIN	86.00	PER DIEM - NREA BEST PRACTICES

VOID	CHECK	SEQ BRK	DATE	VENDOR	NAME	AMOUNT	DESCRIPTION
	60753		3/09/26	4379	HARDY, CODY	86.00	PER DIEM - NREA BEST PRACTICES
	60754		3/09/26	4510	VALLEJO, OMAR	86.00	PER DIEM - NREA BEST PRACTICES
	60755		3/09/26	4616	EPG TESTING & TRAINING LAB	12,638.00	JUMPER TESTING, BLANKET TESTING JUMPER TESTING, BLANKET TESTING
	60756		3/09/26	4942	XTREME STITCH & PRINT	379.00	FR EMBROIDERY, EMPLOYEE SHIRTS
	60757		3/09/26	5082	ROBISON SHANE	86.00	PER DIEM - NREA BEST PRACTICES
	60758		3/09/26	5132	GEOTECHNICAL & ENVIRONMENTAL	1,565.00	CONCRTE TEST INSPCTION
	60759		3/09/26	5373	FELIX, CRIS	86.00	PER DIEM - NREA BEST PRACTICES
	60760		3/09/26	5397	BARNUM, ZACH	86.00	PER DIEM - NREA BEST PRACTICES
	60761		3/09/26	5414	ABBOTT, MICHAEL	86.00	PER DIEM - NREA BEST PRACTICES
	60762		3/09/26	5461	ROBISON SCOTT	86.00	PER DIEM - NREA BEST PRACTICES
	60763		3/09/26	5511	BROWN, STEVEN	86.00	PER DIEM - NREA BEST PRACTICES
	60764		3/09/26	5549	KLUNKER, JARED	86.00	PER DIEM - NREA BEST PRACTICES
	60765		3/09/26	5567	KAMMERER JONI	86.00	PER DIEM - NREA BEST PRACTICES
	60766		3/09/26	5615	JUAN CARLOS SANCHEZ LOPEZ	1,050.00	GENERAL MAINT. OF PLANT
	60767		3/09/26	5682	NAPA AUTO PARTS - LA041	54.35	LIFT SUPPORT BULK TRAILER WIRE, LOOM-SPLIT PO
	60768		3/09/26	5703	VAN NEST CORBIN	150.00	REIMBURSE TOOL ALLOTMENT
	60769		3/09/26	5769	EMPIRE SOUTHWEST LLC	444.52	HOSE BK 294-12, COUPLING, HOSE A LOCKWASHER, BOLTS
	60770		3/09/26	5818	NEVADA ROOTS	935.00	WEED CONTROL
	60771		3/16/26	80	ALMETEK	15,842.50	STORAGE CONTAINERS, POLY NUMBERS
	60772		3/16/26	565	CLARK COUNTY RECORDER	84.00	EASEMENTS
	60773		3/16/26	735	DAT MANAGEMENT INC	90.00	PRE EMPLOYMENT TESTING
	60774		3/16/26	1616	MARSHALL, SHAWNA	152.00	REIMBURSE NOTARY EXPENSES
	60775		3/16/26	4616	EPG TESTING & TRAINING LAB	760.50	GLOVE / SLEEVE TESTING
	60776		3/16/26	5019	UTAH BARRICADE COMPANY	1,722.95	I-15 NORTH & SOUTHBOUND - 200564
	60777		3/16/26	5461	ROBISON SCOTT	390.78	REIMB. TRANSFORMER TESTING EXP

VOID	CHECK	SEQ BRK	DATE	VENDOR	NAME	AMOUNT	DESCRIPTION
	60778		3/16/26	5645	SKYBITZ TANK MONITORING CORP	60.00	TANK MONITORING
	60779		3/16/26	5704	DENNINGHOFF JONATHAN	664.46	REIMB. EXPENSES - CFO CONFERENCE
	60780		3/16/26	5824	FIBER INSTRUMENT SALES	2,321.14	PLP INLINE RUNT CLOSURE, SPLICE
	60781		3/25/26	565	CLARK COUNTY RECORDER	250.00	EASEMENT / ROW ACCOUNT
	60782		3/25/26	1980	MORCON INDUSTRIAL NEVADA INC	143.81	HEAVY DUTY GLASS CLEANER, TOWELS
	60783		3/25/26	2120	NEVADA RURAL ELECTRIC ASSOC	500.00	NREA BEST PRACTICES EXP
	60784		3/25/26	3764	INTERMOUNTAIN POWER SUPERINT	1,245.00	APPRENTICE TESTING, ANN. BANQUET
	60785		3/25/26	3835	PRECISION AGGREGATE PRODUCTS	267.12	6 SACK 4000 PSI W/ FLY ASH
	60786		3/25/26	4333	JANTZ, BENJAMIN	194.33	REIMB HOTEL EXP - NREA BEST PRAC
	60787		3/25/26	4563	QUICK CUT, INC	1,010.00	ANGLE GRIND 15'X1" WITH SPLIT MO ANGLE GRIND 15'X1" WITH SPLIT MO
	60788		3/25/26	4773	NRC LLC	3,758.63	REFUND ADVANCE DEPOSIT BALANCE
	60789		3/25/26	5585	AGUILAR PABLO	630.00	MAINTENANCE OF VEHICLES
	60790		3/25/26	5682	NAPA AUTO PARTS - LA041	75.81	PRE DILUTED ANTIFREEZE, THERMOST
	60791		3/25/26	5752	TRI-COUNTY WEED CONTROL	6,118.02	VEGETATION CONTROL
	60792		3/25/26	5805	BUCKEYE MATS	3,240.00	LAY OVER MATS - JOB 200564
			TOTAL CHECKS	81	TOTAL AMOUNT	5,004,517.21	

VOID	ACH SEQ	SEQ BRK	DATE	VENDOR	NAME	AMOUNT	DESCRIPTION
	2975		3/02/26	605	HOME HARDWARE AND VARIETY	39.37	#15X350 GLD MASON LINE SOCKET ADAPTER CHARGER PORT RIM CLEANER
	2976		3/02/26	1175	HUGHES OIL COMPANY	1,927.25	BULK GAS/DIESEL OVERTON
	2977		3/02/26	2046	NRECA	8,191.72	2026 INSURANCE ADMIN FEE
	2978		3/02/26	2105	NEVADA POWER	5,435.09	NVE JAN T9 EIM 2026
	2979		3/02/26	3802	GENTRY GIS, LLC	4,500.00	MAPPING, MILSOFT, SWITCH CHECK
	2980		3/02/26	4083	VIRGINIA TRANSFORMER CORP	111,940.00	FREIGHT PRICE ADJ DUE TO TARIFF
	2981		3/02/26	4608	SAVANIC TRANSPORT	65,850.00	BUILD NEW LINE ROAD HAUL GAS BRIDGES WATER TRUCK/WATER PULL/BLADE BLADE NEW ROAD CLEAN UP OUT TO HENRY ROAD HAUL OFF BRUSH /TREES WATER ROAD FOR MIXER TRUCKS FIX MESA POLE PAD 60 DUST PERMIT RENEWAL FOR TORTOISE LOAD /SET GAS BRIDGES HAUL LOADER IN/OUT
	2982		3/02/26	4888	WESTERN UNITED ELECTRIC SUPP	173.40	COLD SHRINK 2/0-250 KCMIL
	2983		3/02/26	5012	TINKS SUPERIOR AUTO PARTS	593.74	18MO WTY BATTERY, HOSE REEL, FIT WILSON REMAN PLGR SERIES, CORE CREDIT - WILSON REMAN PLGR SERIE PADS 6" STICK AND SAN
	2984		3/02/26	5422	IRBY	252,910.40	109 & 110 PAD MNT SWITCH 109 PAD MNT SWITCHES 109 PAD MNT SWITCH 109 PAD MNT SWITCHES 8' INSULATED ANCHOR RODS DEADEND SHIELD WIRE RED CDR BIRD GUARD NEMA HNG CVR BOX, CONDUIT DOTTIE LB300CG 3" COND BODY
	2985		3/02/26	5671	QUALUS, LLC	12,238.00	ARROWHEAD SUBSTATION SUB PROJECT
	2986		3/09/26	453	BULLDOG PEST CONTROL INC.	130.00	PEST CONTROL SERVICE
	2987		3/09/26	975	ESCI	2,575.00	SAFETY & TRAINING SERVICES
	2988		3/09/26	1175	HUGHES OIL COMPANY	2,403.30	BULK GAS/DIESEL MESQUITE

VOID	ACH SEQ	SEQ BRK	DATE	VENDOR	NAME	AMOUNT	DESCRIPTION
	2989		3/09/26	1443	L&M WELDING LC	227.50	CUT HOLES - JOB 220397
	2990		3/09/26	2395	PUBLIC EMPLOYEES RETIREMENT	168,196.15	#507 - OPD5 - MARCH 5, 2026
	2991		3/09/26	2709	MERIDIAN COOPERATIVE, INC	43,216.27	SFTW SUPPORT, PSTG, BILLING, ANN
	2992		3/09/26	3957	ELECTRICAL CONSULTANTS, INC.	8,386.00	UPDATE ARC FLASH STUDY NERC & WECC
	2993		3/09/26	4276	3E COMPANY	1,250.00	MSDS ON DEMAND 3/1/26 - 2/28/27
	2994		3/09/26	4284	INTEGRITY DATA SOLUTIONS INC	5,437.00	MOBILETRAK ANNUAL SUBSCRIPTION
	2995		3/09/26	4505	ONLINE INFORMATION SERVICES	629.74	ONLINE UTILITY EXCHANGE BACKGROUND CHECK
	2996		3/09/26	4714	MILLS MILLS LAW GROUP	1,575.00	LEGAL FEES
	2997		3/09/26	4888	WESTERN UNITED ELECTRIC SUPP	283.22	COLD SHRINK 250-400 KCMIL
	2998		3/09/26	4925	CREATIVE CLEANING SERVICES	2,823.00	CLEANING SERVICE
	2999		3/09/26	4971	FUTURA SYSTEMS INC.	4,213.85	MONTHLY CHGS, FLEX, FIELD PRO, G
	3000		3/09/26	4974	HI-TECH AGGREGATE LLC	15,920.47	ROAD BASE LONG DRIVE SWTCHYRD
	3001		3/09/26	4981	PIONEER UTILITY RESOURCES	290.00	WEB HOSTING / MAINTENANCE
	3002		3/09/26	5012	TINKS SUPERIOR AUTO PARTS	155.38	OIL FILTERS, CHARGER, ZIP TIES RED THREADLOCK
	3003		3/09/26	5042	AMAZON CAPITAL SERVICES	4,921.19	LEATHER SAFETY GLOVES RETURN - EMPLOYEE CLOTHING MARKERS, PENCILS, LOLLYPOPS OMNISHELF WORKSTATION MILWAUKEE TOOL, LED WORK LIGHT UPSBATTERY REPLACEMENT, MEMORY CORRECTION TAPE, PAPER CLIPS, E NOTEBOOKS, COPY PAPER, CARD HOLD FIBER PATCH CABLE, FIBER PIGTAIL UPC FIBER OPTIC PIGTAIL CREDIT - RETURN FR CLOTHING EMPLOYEE CLOTHING TRUCK BED LINER KIT TRUCK BED LINER KIT KEYBOARD FOR IPAD, SCREEN PROTEC LEATHER SAFETY GLOVES RETURN - EMPLOYEE CLOTHING FR CLOTHING FIBER PATCH - 6DUPLEX LC ADAPTER
	3004		3/09/26	5203	LADWP -DEPT OF WATER & POWER	10,796.84	MOAPA SOLAR

VOID	ACH SEQ	SEQ BRK	DATE	VENDOR	NAME	AMOUNT	DESCRIPTION
	3005		3/09/26	5263	ON-HOLD CONCEPTS	125.00	DIGITAL SIGNAGE PROGRAM SERVICE VOICE & VOICE MAIL MESSAGES
	3006		3/09/26	5422	IRBY	9,190.00	TARIFF UPCHARGE SEC TRFFC RTD VAULT /W ELEC MRK
	3007		3/09/26	5465	SKYMIRA LLC	286.00	UNLIMITED SATELITE PTT SERVICE
	3008		3/09/26	5476	WILLIAMS YARDSCAPES LLC	2,555.00	GENERAL MAINT. OF PLANT
	3009		3/09/26	5760	FOR2FI INC	880.00	SUB OPS CELL GATEWAY FOR MODEMS
	3010		3/16/26	275	AVIS RENT A CAR SYSTEM, INC.	291.19	RENTAL - TOLL CHARGES RENTAL - TOLL CHARGES CAR RENTAL - O. VALLEJO
VOID	3011		3/16/26	280	BASHLIN INDUSTRIES	220.61	
	3012		3/16/26	549	CITY OF MESQUITE	5,686.58	HYDRO POWER - MAR ESTIMATE
	3013		3/16/26	635	COLORADO RIVER COMMISSION	419,048.50	CRC JAN 26 ADJ CRC MAR POWER /CRC PDAF MAY 26
	3014		3/16/26	1175	HUGHES OIL COMPANY	2,298.85	BULK GAS/DIESEL MESQUITE
	3015		3/16/26	1940	MOAPA VALLEY WATER DISTRICT	899.73	HYDRANT METER - JOB 200564 HYDRANT METER - TORTOISE SUB MOAPA VALLEY WATER
	3016		3/16/26	2105	NEVADA POWER	150,575.27	NVE JAN 2026 TRANSMISSION
	3017		3/16/26	2285	ALTEC INDUSTRIES, INC.	790.10	RETAINING CLIP EXTERNAL BEARINGS BEARING COMPONENT, SLING SVC, LABOR, TRAVEL
	3018		3/16/26	4422	STATE OF NEVADA	824.99	PEBP INSURANCE
	3019		3/16/26	4742	NELSON JACK WILLIAM	565.25	500 DIRECTOR FEE, 65.25 MILEAGE
	3020		3/16/26	4903	BUNKER ROBERT	500.00	500 DIRECTOR FEE
	3021		3/16/26	4904	YOUNG MIKE	544.99	500 DIRECTOR FEE TRUSTEE TECHNOLOGY REIMBURSEMENT
	3022		3/16/26	5012	TINKS SUPERIOR AUTO PARTS	410.79	BLUE XTR 5W40 1 GALLONS TIRE PRESSURE MONITOR SYSTEM PIPE TAP 3 8-18 NPT, COUPLING, L
	3023		3/16/26	5034	LEAVITT CHAD	565.25	500 DIRECTOR FEE, 65.25 MILEAGE
	3024		3/16/26	5237	JONES RICHARD A	600.25	500 DIRECTOR FEE, 65.25 MILEAGE REIMB LUGGAGE FEE - NRECA MTG

VOID	ACH SEQ	SEQ BRK	DATE	VENDOR	NAME	AMOUNT	DESCRIPTION
	3025		3/16/26	5359	CLARK COUNTY PRINTING & MAIL	1,258.20	BLUE PRINT COPIES - JOB 220397 BLUE PRINT COPIES - JOB 210817
	3026		3/16/26	5422	IRBY	4,494.00	SMALL HINGED SPLICE METAL INDOOR ENCLOSURE, LGX BEIG ULTRA SHOT WELD METAL
	3027		3/16/26	5530	HUNT ELECTRIC, INC	497,105.55	LABOR,EQIPMENT,FOUNDATION,ANCHOR
	3028		3/16/26	5623	RUST MORRIS DALE	500.00	500 DIRECTOR FEE
	3029		3/16/26	5754	LAUB RANDY	500.00	500 DIRECTOR FEE
	3030		3/17/26	5793	ESCAPE SOLAR LLC	154,354.47	ESCAPE SOLAR - FEBRUARY 2026
	3031		3/25/26	280	BASHLIN INDUSTRIES	220.61	HARNESS BAGS
	3032		3/25/26	1175	HUGHES OIL COMPANY	3,037.25	BULK GAS/DIESEL OVERTON
	3033		3/25/26	1443	L&M WELDING LC	4,345.02	STRUCTURAL T-COLUMN MODS, ALUM B
	3034		3/25/26	2285	ALTEC INDUSTRIES, INC.	3,226.47	BEARINGS LINEAR, UHMW POLYETHENE HAZMAT NO AIR GEL COAT, LABOR, F REPAIRS - 50-0066
	3035		3/25/26	3257	VERIZON WIRELESS	2,913.86	MACHINE TO MACHINE VERIZON CELL PHONES, IPAD
	3036		3/25/26	3717	COMPUNET, INC.	2,080.17	AXIS VIDEO DECODER GENETEC ADV PRO CAMERA
	3037		3/25/26	3957	ELECTRICAL CONSULTANTS, INC.	4,500.00	NERC & WECC
	3038		3/25/26	4077	LJ MCCORMICK ENT. INC	5,775.00	TYPE 2 AND CRUSHED ROCK
	3039		3/25/26	4501	INCONTACT, INC.	37.84	MQ LONG DISTANCE OV LONG DISTANCE
	3040		3/25/26	4974	HI-TECH AGGREGATE LLC	28,376.87	CRUSHED ROCK,TYPE II ROAD BASE
	3041		3/25/26	5422	IRBY	540.00	SINGLE BOLT SPRING 500 MCM ALUMINUM 12T U-STYLE CREDIT - S014469786.003
	3042		3/25/26	5671	QUALUS, LLC	20,610.50	ARROWHEAD SUBSTATION SUB -250133
	3043		3/25/26	5723	GIR USA, INC	1,008.00	ANNUAL SOFTWARE SUBSCRIPTION
			TOTAL ACH	69	TOTAL AMOUNT	2,068,750.43	
			GRAND TOTAL	150	GRAND TOTAL AMOUNT	7,073,267.64	



BOARD OF TRUSTEE'S MEETING

April 15, 2026

AGENDA ITEM - I

SUBJECT: Review and Possible Approval of the General Manager / CEO Contract
PETITIONER: Staff
RECOMMENDATIONS: Approval

FISCAL IMPACT:

BACKGROUND:

In September 2024 Board of Trustees signed a contract to employ MeLisa Garcia as the CEO/General Manager for the period of April 2025 – April 2026. The Board of Trustees employs the General Manager to oversee the overall operation of OPD5. The Board establishes a contract, provides direction, and monitors the GM's performance at board meetings and through periodic review.

The Board of Trustees met with the General Manager, reviewing past goals and accomplishments, in addition to future goals set for herself and OPD5. The Board of Trustees shall determine during a board meeting whether to continue to employ MeLisa Garcia as the CEO/General Manager for a period beginning April 2026 for a three-year term with a proposed salary of \$250,000.

PROPOSED MOTION:

To approve the General Manager / CEO employment contract and associated salary as presented.

Management Contract

THIS AGREEMENT, made and entered into this 15th day of April 2026, by and between Overton Power District # 5, herein called OPD5, and MeLisa Garcia, herein called MANAGER.

WITNESSETH THAT for and in consideration of the agreements herein contained, the parties agree as outlined below.

This contract supersedes all previous agreements and understandings, whether written or oral or any combinations. All such previous agreements and understandings regarding the employment of this MANAGER shall be null and void.

CONSIDERTATIONS: The consideration for the execution of this agreement is the mutual covenants and undertaking by the parties hereto.

TERM: Upon approval by the Board of Trustees of OPD5, OPD5 hereby continues to employ MANAGER through April 2029. Each year during the March board meeting, the Board of Trustees will conduct an annual performance review of MANAGER.

After this three-year period, and no later than the March 2029 board meeting, the Board of Trustees and MANAGER will meet so a new contract can be negotiated. The salary provided for herein may be adjusted by said Board from time to time during the term of this contract or any extension thereof. If a new contract is not negotiated by April 1, 2029, unless MANAGER is terminated as set forth below, then MANAGER will continue to be paid pursuant to this contract until a new contract is agreed upon and signed.

ACCEPTANCE: MANAGER accepts said employment and agrees to perform the duties of that employment as set forth below.

DUTIES:

- a) MANAGER shall operate and manage the electric distribution business of OPD5 in an economical and efficient manner in accordance with the policies of OPD5, the Statues of the State of Nevada, and all other applicable regulations and laws of the United States and the State of Nevada, and the agencies thereof, and in accordance with such directives that may be issued by the Board of Trustees.
- b) MANAGER shall have control over all the properties and operation of OPD5. All plant and equipment shall be maintained in good and safe condition at all times.
- c) MANAGER shall each year prepare an annual budget for the next calendar year to be submitted to the Board of Trustees of OPD5 for review and approval. The budget shall cover all the needs in rates, operations, maintenance and capital additions to the District.

MANAGER shall be empowered to purchase all needs of OPD5 within the limits of an approved budget.

- d) MANAGER shall keep, at the direction of the Board of Trustees, OPD5's insurance and bonding in compliance with Federal requirements and the requirements of the Board of Trustees, whichever is greater.
- e) MANAGER shall be responsible for establishing manning requirements, hiring all employees of OPD5, overseeing training of employees and shall have the right to discipline or discharge unsatisfactory or unneeded employees, subject to policies of general application approved by the Board of Trustees.
- f) MANAGER shall be responsible for the keeping of a full and complete accounting record in accordance with the federal regulations of the NRUCFC and any other principal lenders.
- g) MANAGER shall be responsible for preparing and submitting all reports required by any and all agencies of the government of the State of Nevada and the United States in a timely manner. MANAGER shall report to the Board of Trustees during board meetings on operations, maintenance, construction, safety, cyber security, and all other subjects the Board of Trustees may request.
- h) MANAGER shall devote full time to the management of the OPD5 and shall not engage in other activities that would interfere with the proper conduct of the business of the District. The MANAGER will fully disclose to the Board of Trustees all payments, fees, and remuneration paid to MANAGER for her service on the Board of other organizations and will not serve any organization whose goals and aims are not consistent with the interest of OPD5.

RESIDENCE OF THE MANAGER: MANAGER shall maintain her residence in OPD5's designated service territory throughout the term of this agreement. The MANAGER shall not be entitled to any compensation or reimbursement for relocation upon her termination of employment.

COMPENSATION, BENEFITS, EXPENSES:

- a) OPD5 shall pay MANAGER working under the approved title of CEO/General Manager an annual salary determined by the Board of Trustees of two hundred fifty thousand dollars (\$250,000) effective April 15th, 2026, for one year.
This salary shall be paid in accordance with the established pay periods of OPD5 and will include all COLA increases awarded to OPD5 employees each January.
- b) These COLA increases shall occur each year during the term of the contract unless determined and is the minimum increase MANAGER shall receive. The Board of Trustees may at its' discretion consider a greater increase to MANAGER'S salary, provide a bonus, or otherwise increase MANAGER'S benefits in an annual performance

review of the MANAGER by the Board of Trustees. Salary adjustments, bonuses or additions to benefits may be based upon such factors as performance, longevity, cost of living, comparative salaries, and the financial condition of OPD5.

- c) OPD5 shall provide a vehicle for business use of MANAGER at no cost to MANAGER.
- d) MANAGER shall be entitled to Holidays, Sick Leave, Vacation and other benefits generally established by OPD5 for other employees of OPD5. A vacation in accordance with a vacation program established by OPD5 may be taken to the extent that it does not interfere with the MANAGER'S performance of her duties. If such vacations are not taken, MANAGER will be compensated for unused vacation time in accordance with the current policies of OPD5. At the time of retirement or termination, MANAGER will be entitled to compensation for unused vacation and sick leave in accordance with current policies of OPD5.
- e) MANAGER shall participate in the employee welfare and benefit programs, including insurance and retirement, generally established for employees of OPD5.
- f) Travel and other personal expenses of the MANAGER necessary to conduct the business of OPD5 are authorized, provided such expenses are supported in the usual manner and the necessity therefore established.

TERMINATION AND SEVERANCE PAY:

- a) Termination for Cause. Other than at the review period one year after MANAGER becomes the CEO/General Manager, the Board of Trustees may discharge the MANAGER only for reasonable cause during the term of this agreement. In the event of discharge for reasonable cause, the MANAGER shall receive all salary and monetary equivalent of employee benefits owing to MANAGER hereunder as if MANAGER had remained employed by OPD5 for the 6-month period following her employment separation date. Such 6-month period is the "Severance Period". OPD5's obligation to pay MANAGER the contractual severance is subject to MANAGER'S execution and delivery (and non-revocation) of a commercially reasonable written general release of claims in favor of OPD5, its affiliates, trustees, officers, employees, agents, representatives, successors and assigns that is reasonably satisfactory to OPD5. OPD5 shall pay MANAGER the contractual severance in periodic installments in accordance with OPD5's payroll practices commencing no later than thirty (30) days after MANAGER'S termination date, provided the release is fully effective and is no longer subject to revocation by MANAGER under the terms thereof.

INCAPACITY OR DEATH OF MANAGER: In the event MANAGER becomes mentally or physically incapacitated from rendering services as MANAGER, her services shall be deemed to be terminated upon qualifications for NRECA's disability insurance. MANAGER agrees to submit

to a medical examination on a timely basis if requested by the Board of Trustees, and such examination is to be paid by OPD5. Incapacity shall be determined by the Board of Trustees based upon medical reports on the MANAGER'S condition and potential of recovery within a reasonable time. In such event, MANAGER shall not be compensated for loss of position as provided for above.

In the event of death of MANAGER, all non-salary benefits for which MANAGER is entitled under the terms of this agreement at the time of her death, if death occurs while still an employee of OPD5, shall be paid timely and directly by OPD5 to the MANAGER'S beneficiary designated by MANAGER.

NON-ASSIGNABILITY: This agreement and all rights, duties, and obligations which may accrue or have accrued thereunder may not be assigned, pledged, transferred or hypothecated except with the written consent of the other party.

MODIFICATION: This agreement may be modified only in writing executed by the parties hereto.

EFFECTIVE DATE: This contract shall become effective as of 15th day of April, 2026.

IN WITNESS WHEREOF: the parties hereto have hereunto set their hands and affixed the corporate seal this 15th day of April, 2026.

Jack Nelson, Chairwoman

Mike Young, Secretary Treasurer

MeLisa R. Garcia, Manager



Overton Power District #5
BOARD OF TRUSTEE'S
APRIL 15, 2026
ACTION ITEM - J

SUBJECT: Review and Possible Approval of the Loan Agreement and Other Associated Documents for CFC Power Vision Loan NV004-V-9004
PETITIONER: Staff
RECOMMENDATIONS: Approval

FISCAL IMPACT:
Up to \$36 million

BACKGROUND:
OPD5 is seeking a source of funding for future capital projects. OPD5 is currently a 100% NRUCFC (CFC) borrower. The loan will be used to aid in the completion of Capital Projects from years 2026 through 2030 as presented in the reliability plan.

In accordance with direction received from the board, staff applied for and received approval for a \$36M Power Vision Loan through CFC. These funds will be available to draw for capital improvement jobs for a 5-year period. Under the loan agreement, OPD5 may borrow up to \$36M, but is under no obligation to draw on the full amount.

CFC is seeking a legal opinion from OPD5's legal counsel and approval of the loan agreement and promissory note by the Board. These are the final steps to be taken to gain CFC approval for the Power Vision Loan.

STAFF RECOMENDATION:

Approval of the Loan Agreement and Other Associated Documents for CFC
Power Vision Loan NV004-V-9004 as presented.

DRAFT

CERTIFICATE OF RESOLUTIONS AND INCUMBENCY

I, _____, do hereby certify that (i) I am the Secretary of OVERTON POWER DISTRICT NO. 5 (hereinafter called the "District"); (ii) the following are true and correct copies of resolutions duly adopted by the board of trustees of the District at a meeting held on _____; (iii) the meeting was duly and regularly called and held in accordance with the articles and bylaws of the District; (iv) the District is duly incorporated, validly existing and in good standing under the laws of the state of its incorporation and there is no pending or contemplated proceeding for the merger, consolidation, sale of assets or business or dissolution of the District; (v) forms of the loan documents identified below were submitted to the meeting and were authorized by the board of trustees to be executed; (vi) none of the following resolutions has been rescinded or modified as of this date; and (vii) the persons authorized below have been duly elected or appointed to their respective positions and occupied such positions on the date of actual execution of the loan documents:

RESOLVED, that the District borrow from National Rural Utilities Cooperative Finance Corporation (CFC), from time to time as determined by the persons designated by the board of trustees of the District, an aggregate amount not to exceed \$36,000,000.00, as set forth in the loan agreement with CFC governing such loan, substantially in the form of the loan agreement presented to this meeting (the "Loan Agreement"); and

RESOLVED, that the proceeds of this loan be used for the purpose set forth in the Loan Agreement; and

RESOLVED, that the individuals listed below are hereby authorized to execute and to deliver to CFC the following documents (including as many counterparts as may be required):

- a) the Loan Agreement;
- b) one or more secured promissory notes payable to the order of CFC, which in the aggregate shall not exceed the principal amount of \$36,000,000.00, substantially in the form of the note presented to this meeting; and
- c) if required by CFC, a mortgage and security agreement with CFC as mortgagee, for purposes of securing the loan provided for herein, substantially in the form of the mortgage presented to this meeting.

RESOLVED, that each of the following individuals is hereby authorized in the name and on behalf of the District to execute and to deliver all such other documents and instruments as may be necessary or appropriate, to execute any future amendments to said Loan Agreement as such individual may deem appropriate within the amount of the promissory notes so authorized herein and to do all such other acts as in the opinion of such authorized individual acting may be necessary or appropriate in order to carry out the purposes and intent of the foregoing resolutions:

<u>Office or Title</u>	<u>Name (typed or printed)</u>
_____	_____
_____	_____
_____	_____
_____	_____

IN WITNESS WHEREOF I have hereunto set my hand as of the date shown below.

Secretary

Date: _____

LOAN AGREEMENT

LOAN AGREEMENT (this "Agreement") dated as of _____, between OVERTON POWER DISTRICT NO. 5 ("Borrower"), a general improvement district organized and existing under the laws of the State of Nevada and NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION ("CFC"), a cooperative association organized and existing under the laws of the District of Columbia.

RECITALS

WHEREAS, the Borrower has applied to CFC for a loan for the purposes set forth in Schedule 1 hereto, and CFC is willing to make such a loan to the Borrower on the terms and conditions stated herein; and

WHEREAS, the Borrower has agreed to execute one or more secured promissory notes to evidence an indebtedness in the aggregate principal amount of the CFC Commitment (as hereinafter defined).

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto agree and bind themselves as follows:

ARTICLE I

DEFINITIONS

Section 1.01 For purposes of this Agreement, the following capitalized terms shall have the following meanings (such definitions to be equally applicable to the singular and the plural form thereof). Capitalized terms that are not defined herein shall have the meanings as set forth in the Mortgage.

"Accounting Requirements" shall mean any system of accounts prescribed by a federal regulatory authority having jurisdiction over the Borrower or, in the absence thereof, the requirements of GAAP applicable to businesses similar to that of the Borrower.

"Advance" shall mean each advance of funds by CFC to the Borrower pursuant to the terms and conditions of this Agreement.

"Amortization Basis Date" shall mean the first calendar day of the month following the end of the Billing Cycle in which the Advance occurs, provided, however, that if the Advance is made on the first day of a Billing Cycle, and such day is a Business Day, then the Amortization Basis Date shall be the date of the Advance.

"Average DSC Ratio" shall mean the average of the Borrower's two highest annual DSC Ratios during the most recent three calendar years.

"Billing Cycle" shall mean any 3-month period ending on, and including, a Payment Date.

"Business Day" shall mean any day that both CFC and the depository institution CFC utilizes for funds transfers hereunder are open for business.

“CFC Commitment” shall have the meaning ascribed to it in Schedule 1 hereto.

“CFC Fixed Rate” shall mean (i) such fixed rate as is then available for loans similarly classified pursuant to CFC's policies and procedures then in effect, or (ii) such other fixed rate as may be agreed to by the parties and reflected on the written requisition for funds in the form attached as Exhibit A hereto.

“CFC Fixed Rate Term” shall mean the specific period of time that a CFC Fixed Rate is in effect for an Advance.

“CFC Variable Rate” shall mean (i) the rate established by CFC for variable interest rate long-term loans similarly classified pursuant to the long-term loan programs established by CFC from time to time, or (ii) such other variable rate as may be agreed to by the parties on the written requisition for funds in the form attached as Exhibit A hereto.

“Capital Certificate” shall mean a certificate, or book entry form of account, evidencing the Borrower's purchase of subordinated debt instruments issued by CFC from time to time. Such instruments may be denoted by CFC as “Loan Capital Term Certificates”, “Member Capital Securities”, “Subordinated Term Certificates”, or other like designations.

“Conversion Request” shall mean a written request to CFC from any duly authorized officer or other employee of the Borrower requesting an interest rate conversion available pursuant to the terms of this Agreement.

“Debt Service Coverage (“DSC”) Ratio” shall mean the ratio determined as follows: for any calendar year add (i) Operating Margins, (ii) Non-Operating Margins--Interest, (iii) Interest Expense, (iv) Depreciation and Amortization Expense, and (v) cash received in respect of generation and transmission and other capital credits, and divide the sum so obtained by the sum of all payments of Principal and Interest Expense required to be made during such calendar year; provided, however, that in the event that any amount of Long-Term Debt has been refinanced during such year, the payments of Principal and Interest Expense required to be made during such year on account of such refinanced amount of Long-Term Debt shall be based (in lieu of actual payments required to be made on such refinanced amount of Long-Term Debt) upon the larger of (a) an annualization of the payments required to be made with respect to the refinancing debt during the portion of such year such refinancing debt is outstanding or (b) the payment of Principal and Interest Expense required to be made during the following year on account of such refinancing debt.

“Default Rate” shall mean a rate per annum equal to the interest rate in effect for an Advance plus two hundred (200) basis points.

“Depreciation and Amortization Expense” shall mean an amount constituting the depreciation and amortization of the Borrower computed pursuant to Accounting Requirements.

“Distributions” shall mean, with respect to the Borrower, any dividend, patronage refund, patronage capital retirement or cash distribution to its members, or consumers (including but not limited to any general cancellation or abatement of charges for electric energy or services furnished by the Borrower). The term “Distribution” shall *not* include (a) a distribution by the Borrower to the estate of a deceased patron, (b) repayment by the Borrower of a membership fee upon termination of a membership, or (c) any rebate to a patron resulting from a cost abatement received by the Borrower, such as a reduction of wholesale power cost previously incurred.

“Draw Period” shall have the meaning ascribed to it in Schedule 1 hereto.

“Environmental Laws” shall mean all laws, rules and regulations promulgated by any Governmental Authority, with which the Borrower is required to comply, regarding the use, treatment, discharge, storage, management, handling, manufacture, generation, processing, recycling, distribution, transport, release of or exposure to any Hazardous Material.

“Equity” shall mean the aggregate of the Borrower's equities and margins computed pursuant to Accounting Requirements.

“Event of Default” shall have the meaning as described in Article VI hereof.

“GAAP” shall mean generally accepted accounting principles in the United States of America as in effect from time to time.

“Governmental Authority” shall mean the government of the United States of America, any other nation or government, any state or other political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Hazardous Material” shall mean any (a) petroleum or petroleum products, radioactive materials, asbestos-containing materials, polychlorinated biphenyls, lead and radon gas, and (b) any other substance designated as hazardous or toxic or as a pollutant or contaminant under any Environmental Law.

“Interest Expense” shall mean an amount constituting the interest expense with respect to Long-Term Debt of the Borrower computed pursuant to Accounting Requirements. In computing Interest Expense, there shall be added, to the extent not otherwise included, an amount equal to 33-1/3% of the excess of Restricted Rentals paid by the Borrower over 2% of the Borrower's Equity.

“Interest Rate Reset Date” shall mean, with respect to any Advance, the first day following the expiration of the CFC Fixed Rate Term for such Advance.

“LCTC Purchase Provisions” shall mean the specific conditions and covenants in any Prior Loan Document requiring the Borrower to purchase subordinated debt instruments issued by CFC that may be referred to in Prior Loan Documents as “LCTCs”, “Loan Capital Term Certificates”, “Capital Certificates”, “Equity Certificates”, “Subordinated Term Certificates” or instruments with other like designations.

“Lien” shall mean any statutory or common law consensual or non-consensual mortgage, pledge, security interest, encumbrance, lien, right of set off, claim or charge of any kind, including, without limitation, any conditional sale or other title retention transaction, any lease transaction in the nature thereof and any secured transaction under the Uniform Commercial Code.

“Loan Documents” shall mean this Agreement, the Note, the Mortgage and all other documents or instruments executed, delivered or executed and delivered by the Borrower and

evidencing, securing, governing or otherwise pertaining to the loan made by CFC to the Borrower, pursuant to this Agreement.

“Long-Term Debt” shall mean an amount constituting the long-term debt of the Borrower computed pursuant to Accounting Requirements.

“Make-Whole Premium” shall mean, with respect to any principal sum of a CFC Fixed Rate Advance paid prior to the expiration of the CFC Fixed Rate Term applicable thereto (the “Prepaid Principal Amount”), an amount calculated as set forth below. The Make-Whole Premium represents CFC’s reinvestment loss resulting from making a fixed rate loan.

(1) Compute the amount of interest (“Loan Interest”) that would have been due on the Prepaid Principal Amount at the applicable CFC Fixed Rate for the period from the prepayment date through the end of the CFC Fixed Rate Term (such period is hereinafter referred to as the “Remaining Term”), calculated on the basis of a 30-day month/360-day year, adjusted to include any amortization of principal in accordance with the amortization schedule that would have been in effect for the Prepaid Principal Amount.

(2) Compute the amount of interest (“Investment Interest”) that would be earned on the Prepaid Principal Amount (adjusted to include any applicable amortization) if invested in a United States government security with a term equivalent to the Remaining Term, calculated on the basis of a 30-day month/360-day year. The yield used to determine the amount of Investment Interest shall be based upon United States government security yields dated no more than two Business Days prior to the prepayment date in Federal Reserve statistical release H.15 (519), under the caption “U.S. Government Securities/Treasury Constant Maturities”. If there is no such United States government security under said caption with a term equivalent to the Remaining Term, then the yield shall be determined by interpolating between the terms of whole years nearest to the Remaining Term.

(3) Subtract the amount of Investment Interest from the amount of Loan Interest. If the difference is zero or less, then the Make-Whole Premium is zero. If the difference is greater than zero, then the Make-Whole Premium is a sum equal to the present value of the difference, applying as the present value discount a rate equal to the yield utilized to determine Investment Interest.

“Maturity Date” with respect to each Note shall have the meaning ascribed to it therein.

“Mortgage” shall have the meaning as described in Schedule 1 hereto.

“Mortgaged Property” shall have the meaning ascribed to it in the Mortgage.

“Non-Operating Margins--Interest” shall mean the amount representing the interest component of non-operating margins of the Borrower computed pursuant to Accounting Requirements.

“Note” or “Notes” shall mean each secured promissory note, payable to the order of CFC, executed by the Borrower, dated as of even date herewith, pursuant to this Agreement as identified on Schedule 1 hereto, and shall include all substitute, amended or replacement promissory notes.

“Obligations” shall mean any and all liabilities, obligations or indebtedness owing by the Borrower to CFC, of any kind or description, irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising.

“Operating Margins” shall mean the amount of patronage capital and operating margins of the Borrower computed pursuant to Accounting Requirements.

“Payment Date” shall mean the last day of each of the months referred to in Schedule 1.

“Permitted Encumbrances” shall have the meaning ascribed to it in the Mortgage.

“Person” shall mean natural persons, sole proprietorships, cooperatives, corporations, limited liability companies, limited partnerships, general partnerships, limited liability partnerships, joint ventures, associations, companies, trusts or other organizations, irrespective of whether they are legal entities, and Governmental Authorities.

“Prepayment Administrative Fee” shall mean an amount equal to thirty three one-hundredths of one percent (0.33%) of the amount being prepaid.

“Principal” shall mean the amount of principal billed on account of Long-Term Debt of the Borrower computed pursuant to Accounting Requirements.

“Prior Loan Documents” shall mean, collectively, all long term loan agreements entered into prior to the date hereof by and between CFC and the Borrower, and all promissory notes delivered pursuant thereto secured under the Mortgage, other than loan agreements and notes or bonds representing loans sold, transferred assigned or otherwise endorsed by CFC to a purchaser thereof.

“Public Organic Record” shall have the meaning set forth in the Uniform Commercial Code of the jurisdiction of organization of the Borrower.

“Restricted Rentals” shall mean all rentals required to be paid under finance leases and charged to income, exclusive of any amounts paid under any such lease (whether or not designated therein as rental or additional rental) for maintenance or repairs, insurance, taxes, assessments, water rates or similar charges. For the purpose of this definition the term “finance lease” shall mean any lease having a rental term (including the term for which such lease may be renewed or extended at the option of the lessee) in excess of three (3) years and covering property having an initial cost in excess of \$250,000 other than automobiles, trucks, trailers, other vehicles (including without limitation aircraft and ships), office, garage and warehouse space and office equipment (including without limitation computers).

“Subsidiary” as to any Person, shall mean a corporation, partnership, limited partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise qualified, all references to a “Subsidiary” or to “Subsidiaries” in this Agreement shall refer to a Subsidiary or Subsidiaries of the Borrower.

"Total Assets" shall mean an amount constituting the total assets of the Borrower computed pursuant to Accounting Requirements.

"Total Utility Plant" shall mean the amount constituting the total utility plant of the Borrower computed pursuant to Accounting Requirements.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01 The Borrower represents and warrants to CFC that as of the date of this Agreement:

A. Good Standing. The Borrower is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, is duly qualified to do business and is in good standing in those states in which it is required to be qualified to conduct its business. The Borrower is a member in good standing of CFC.

B. Subsidiaries and Ownership. Schedule 1 hereto sets forth a complete and accurate list of the Subsidiaries of the Borrower showing the percentage of the Borrower's ownership of the outstanding stock, membership interests or partnership interests, as applicable, of each Subsidiary.

C. Authority; Validity. The Borrower has the power and authority to enter into this Agreement, the Note and the Mortgage; to make the borrowing hereunder; to execute and deliver all documents and instruments required hereunder and to incur and perform the obligations provided for herein, in the Note and in the Mortgage, all of which have been duly authorized by all necessary and proper action; and no consent or approval of any Person, including, as applicable and without limitation, members of the Borrower, which has not been obtained is required as a condition to the validity or enforceability hereof or thereof.

Each of this Agreement, the Note and the Mortgage is, and when fully executed and delivered will be, legal, valid and binding upon the Borrower and enforceable against the Borrower in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity.

D. No Conflicting Agreements. The execution and delivery of the Loan Documents and performance by the Borrower of the obligations thereunder, and the transactions contemplated hereby or thereby, will not: (i) violate any provision of law, any order, rule or regulation of any court or other Governmental Authority, any award of any arbitrator, the articles of incorporation or by-laws of the Borrower, or any indenture, contract, agreement, mortgage, deed of trust or other instrument to which the Borrower is a party or by which it or any of its property is bound; or (ii) be in conflict with, result in a breach of or constitute (with due notice and/or lapse of time) a default under, any such award, indenture, contract, agreement, mortgage, deed of trust or other instrument, or result in the creation or imposition of any Lien (other than contemplated hereby) upon any of the property or assets of the Borrower.

The Borrower is not in default in any material respect under any agreement or instrument to which it is a party or by which it is bound and no event or condition exists which constitutes a

default, or with the giving of notice or lapse of time, or both, would constitute a default under any such agreement or instrument.

E. Taxes. The Borrower, and each of its Subsidiaries, has filed or caused to be filed all federal, state and local tax returns which are required to be filed and has paid or caused to be paid all federal, state and local taxes, assessments, and Governmental Authority charges and levies thereon, including interest and penalties to the extent that such taxes, assessments, and Governmental Authority charges and levies have become due, except for such taxes, assessments, and Governmental Authority charges and levies which the Borrower or any Subsidiary is contesting in good faith by appropriate proceedings for which adequate reserves have been set aside.

F. Licenses and Permits. The Borrower has duly obtained and now holds all licenses, permits, certifications, approvals and the like necessary to own and operate its property and business that are required by Governmental Authorities and each remains valid and in full force and effect.

G. Litigation. There are no outstanding judgments, suits, claims, actions or proceedings pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower, its Subsidiaries or any of their respective properties which, if adversely determined, either individually or collectively, would have a material adverse effect upon the business, operations, prospects, assets, liabilities or financial condition of the Borrower or its Subsidiaries. The Borrower and its Subsidiaries are not, to the Borrower's knowledge, in default or violation with respect to any judgment, order, writ, injunction, decree, rule or regulation of any Governmental Authority which would have a material adverse effect upon the business, operations, prospects, assets, liabilities or financial condition of the Borrower or its Subsidiaries.

H. Financial Statements. The balance sheet of the Borrower as at the date identified in Schedule 1 hereto, the statement of operations of the Borrower for the period ending on said date, each included in the Borrower's most recent audited financial statements and the interim financial statements of the Borrower, all heretofore furnished to CFC, are complete and correct. Said balance sheet fairly presents the financial condition of the Borrower as at said date and said statement of operations fairly reflects its operations for the period ending on said date. The Borrower has no contingent obligations or extraordinary forward or long-term commitments except as specifically stated in said balance sheet, elsewhere in the Borrower's most recent audited financial statements or herein. There has been no material adverse change in the financial condition or operations of the Borrower from that set forth in said financial statements except changes disclosed in writing to CFC prior to the date hereof.

I. Borrower's Legal Status. Schedule 1 hereto accurately sets forth: (i) the Borrower's name on its Public Organic Record, (ii) the Borrower's organizational type and jurisdiction of organization and, (iii) the Borrower's place of business or, if more than one, its chief executive office as well as the Borrower's mailing address if different.

J. Required Approvals. No license, consent or approval of any Governmental Authority is required to enable the Borrower to enter into this Agreement, the Note and the Mortgage, or to perform any of its Obligations provided for in such documents, including without limitation (and if applicable), that of any state public utilities commission, any state public service commission, and the Federal Energy Regulatory Commission, except as disclosed in Schedule 1 hereto, all of which the Borrower has obtained prior to the date hereof.

K. Compliance With Laws. The Borrower and each Subsidiary is in compliance, in all material respects, with all applicable requirements of law and all applicable rules and regulations of each Governmental Authority.

L. Disclosure. To the Borrower's knowledge, information and belief, neither this Agreement nor any document, certificate or financial statement furnished to CFC by or on behalf of the Borrower in connection herewith (all such documents, certificates and financial statements, taken as a whole) contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements contained herein and therein not misleading.

M. No Other Liens. As to property which is presently included in the description of Mortgaged Property, the Borrower has not, without the prior written approval of CFC, executed or authenticated any security agreement or mortgage, or filed or authorized any financing statement to be filed with respect to assets owned by it, other than security agreements, mortgages and financing statements in favor of CFC, except as disclosed in writing to CFC prior to the date hereof or relating to Permitted Encumbrances.

N. Environmental Matters. Except as to matters which individually or in the aggregate would not have a material adverse effect upon the business or financial condition of the Borrower or its Subsidiaries, (i) the Borrower is in compliance with all Environmental Laws (including, but not limited to, having any required permits and licenses), (ii) there have been no releases (other than releases remediated in compliance with Environmental Laws) from any underground or aboveground storage tanks (or piping associated therewith) that are or were present at the Mortgaged Property, (iii) the Borrower has not received written notice or claim of any violation of any Environmental Law, (iv) there is no pending investigation of the Borrower in regard to any Environmental Law, and (v) to the best of the Borrower's knowledge, there has not been any release or contamination (other than releases or contamination remediated in compliance with Environmental Laws) resulting from the presence of Hazardous Materials on property owned, leased or operated by the Borrower.

ARTICLE III

LOAN

Section 3.01 Advances. The Borrower shall submit its request for an Advance to CFC in writing (which may be submitted by facsimile) no later than 12:00 noon local time at CFC's offices in Dulles, Virginia on the Business Day prior to the Business Day the Borrower seeks to have funds advanced.

At the end of the Draw Period, CFC shall have no further obligation to make Advances. The obligation of the Borrower to repay the Advances shall be evidenced by one or more Notes.

Section 3.02 Interest Rate and Payment. Notes shall be payable and bear interest as follows:

A. Payments; Maturity; Amortization.

(i) Each Note shall have a Maturity Date that is not more than forty (40) years from the date hereof, *provided, however*, that if such date is not a Payment Date, then the Maturity Date shall be the Payment Date immediately preceding such date.

(ii) Prior to or at the time of each Advance, the Borrower shall elect, with respect to such Advance, (1) an amortization method for principal, or (2) not to amortize principal. If no election is made, then the Advance shall amortize over a period ending on the earlier of the date that is thirty-five (35) years from the date of such Advance and the Maturity Date.

(a) *Amortizing Advances:* Each Advance that the Borrower elects to amortize shall amortize over a period elected by the Borrower, *provided, however,* that such period shall not (i) exceed thirty-five (35) years from the date of such Advance and (ii) extend beyond the Maturity Date. For each Advance, the Borrower shall promptly pay interest in the amount invoiced on each Payment Date until the first Payment Date of the Billing Cycle in which the Amortization Basis Date occurs. On such Payment Date, and on each Payment Date thereafter, the Borrower shall promptly pay interest and principal in the amounts invoiced. If not sooner paid, any amount due on account of the unpaid principal, interest accrued thereon and fees, if any, shall be due and payable on the Maturity Date. The amortization method for each Advance shall be as stated on Schedule 1 or, if not so stated, then as stated on the written requisition for such Advance submitted by the Borrower to CFC pursuant to the terms hereof.

(b) *Non-Amortizing Advances:* Each Advance that the Borrower elects not to amortize shall be repaid within thirty-five (35) years from the date of such Advance, or the Maturity Date, whichever is earlier. On each Payment Date, the Borrower shall promptly pay interest only until the final Payment Date corresponding to the term of such Advance, or the Maturity Date (whichever is applicable), upon which date all unpaid principal, interest accrued thereon and fees, if any, shall be due and payable. If the term of a non-amortizing Advance ends on a date that is not a Payment Date, then the repayment of such Advance shall be due and payable on the Payment Date immediately preceding such date.

(iii) CFC will invoice the Borrower at least ten (10) days before each Payment Date, provided, however, that CFC's failure to send an invoice shall not constitute a waiver by CFC or be deemed to relieve the Borrower of its obligation to make payments as and when due as provided for herein.

(iv) No provision of this Agreement or of any Note shall require the payment, or permit the collection, of interest in excess of the highest rate permitted by applicable law.

B. Application of Payments. Each payment shall be applied to the Obligations as follows: (i) first, to any fees, costs, expenses or charges due other than interest or principal, (ii) second, to interest accrued and unpaid, and (iii) third, the balance, if any, to the outstanding principal balance of the Obligations.

C. Selection of Interest Rate and Interest Rate Computation. Prior to each Advance on a Note, the Borrower must select in writing either a CFC Fixed Rate or the CFC Variable Rate, as follows:

(i) CFC Fixed Rate. If the Borrower selects a CFC Fixed Rate for an Advance, then such rate shall be in effect for the CFC Fixed Rate Term selected by the Borrower. CFC shall provide the Borrower with at least sixty (60) days prior written or electronic notice of the Interest Rate Reset Date for such Advance. The Borrower may then select any available interest rate option for such Advance pursuant to CFC's policies of general application. The Advance shall bear interest according to the interest rate option so selected beginning on the Interest Rate Reset Date. If the Borrower does not select an interest rate in writing prior to the Interest Rate

Reset Date, then beginning on the Interest Rate Reset Date the Advance shall bear interest at, the CFC Variable Rate. CFC agrees that its long-term loan policies will include a fixed interest rate option until the Maturity Date. For any Advance, the Borrower may not select a CFC Fixed Rate with a CFC Fixed Rate Term that extends beyond the Maturity Date. Interest on amortizing Advances bearing interest at a CFC Fixed Rate shall be computed on the basis of a 30-day month and 360-day year. Interest on non-amortizing Advances bearing interest at a CFC Fixed Rate shall be computed for the actual number of days elapsed on the basis of a year of 365 days.

(ii) CFC Variable Rate. If the Borrower selects the CFC Variable Rate for an Advance, then such CFC Variable Rate shall apply until the Maturity Date, unless the Borrower elects to convert to a CFC Fixed Rate pursuant to the terms hereof. Interest on Advances bearing interest at the CFC Variable Rate shall be computed for the actual number of days elapsed on the basis of a year of 365 days.

Section 3.03 Conversion of Interest Rates. The Borrower may at any time exercise any or all of the following interest rate conversion options by submitting a Conversion Request. The effective date of the interest rate conversion shall be determined by CFC pursuant to its policies of general application.

A. CFC Variable Rate to a CFC Fixed Rate. The Borrower may convert the interest rate on an outstanding Advance from the CFC Variable Rate to a CFC Fixed Rate without a fee. Upon such conversion, the new interest rate shall be the CFC Fixed Rate in effect on the date of the Conversion Request for the CFC Fixed Rate Term selected by the Borrower.

B. CFC Fixed Rate to CFC Variable Rate. The Borrower may convert the interest rate on an outstanding Advance from a CFC Fixed Rate to the CFC Variable Rate, provided that the Borrower promptly pays the invoiced amount for any applicable conversion fee calculated pursuant to CFC's long-term loan policies as established from time to time for similarly classified long-term loans. Upon such conversion, the new interest rate shall be the CFC Variable Rate in effect on the date of the Conversion Request.

C. A CFC Fixed Rate to Another CFC Fixed Rate. The Borrower may convert the interest rate on an outstanding Advance from a CFC Fixed Rate to a different CFC Fixed Rate by selecting a different CFC Fixed Rate Term, provided that the Borrower promptly pays the invoiced amount for any applicable conversion fee calculated pursuant to CFC's long-term loan policies as established from time to time for similarly classified long-term loans. Upon such conversion, the new interest rate shall be the CFC Fixed Rate in effect on the date of the Conversion Request for the new CFC Fixed Rate Term selected by the Borrower.

Section 3.04 Optional Prepayment. The Borrower may at any time, on not less than thirty (30) days prior written notice to CFC, prepay any Advance, in whole or in part. In the event the Borrower prepays all or any part of an Advance (regardless of the source of such prepayment and whether voluntary, by acceleration or otherwise), the Borrower shall pay any Prepayment Administrative Fee and/or Make-Whole Premium as CFC may prescribe pursuant to the terms of this Section 3.04. All prepayments shall be accompanied by payment of accrued and unpaid interest on the amount of and to the date of the repayment. All prepayments shall be applied (i) first to any fees, costs, expenses or charges due hereunder other than interest or principal, (ii) second, to the payment of accrued and unpaid interest, and (iii) third, the balance, if any, to the outstanding principal balance of the applicable Advance.

If the Advance bears interest at the CFC Variable Rate, then the Borrower may on any Business Day prepay the Advance or any portion thereof, provided that the Borrower pays together therewith the Prepayment Administrative Fee. If the Advance bears interest at a CFC Fixed Rate, then the Borrower may prepay the Advance on (a) the Business Day before an Interest Rate Reset Date, provided that the Borrower pays together therewith the Prepayment Administrative Fee, or (b) any other Business Day, provided that the Borrower pays together therewith the Prepayment Administrative Fee and any applicable Make-Whole Premium.

Section 3.05 Mandatory Prepayment. If there is a change in the Borrower's corporate structure (including without limitation by merger, consolidation, conversion or acquisition), then upon the effective date of such change, (a) the Borrower shall no longer have the ability to request, and CFC shall have no obligation to make, Advances hereunder and (b) the Borrower shall prepay the outstanding principal balance of all Obligations, together with any accrued but unpaid interest thereon, any unpaid costs or expenses provided for herein, and a prepayment premium as set forth in any agreement between the Borrower and CFC with respect to any such Obligation or, if not specified therein, as prescribed by CFC pursuant to its policies of general application in effect from time to time.

Notwithstanding the foregoing, if after giving effect to such change in the Borrower's corporate structure, Borrower, or its successor in interest, is engaged in the furnishing of electric utility services to its members and patrons for their use as ultimate consumers and is organized as a cooperative, nonprofit corporation, public utility district, municipality, or other public governmental body, Borrower shall retain the ability to request, and CFC shall retain the obligation to make, Advances hereunder and no prepayment shall be required under this Section 3.05.

Section 3.06 Default Rate. If the Borrower defaults on its obligation to make a payment due hereunder by the applicable Payment Date, and such default continues for thirty days thereafter, then beginning on the thirty-first day after the Payment Date and for so long as such default continues, Advances shall bear interest at the Default Rate.

ARTICLE IV

CONDITIONS OF LENDING

Section 4.01 Conditions Precedent to Closing. The obligation of CFC to make Advances hereunder shall not become effective until the date on which the following conditions precedent have been satisfied:

A. Legal Matters. All legal matters incident to the consummation of the transactions hereby contemplated shall be satisfactory to counsel for CFC.

B. Representations and Warranties. The representations and warranties contained in Article II shall be true on the date hereof.

C. Closing Deliverables. CFC shall have been furnished with the following, in form and substance satisfactory to CFC:

(i) Documents. (a) the executed Loan Documents, (b) certified copies of all such organizational documents and proceedings of the Borrower authorizing the transactions hereby

contemplated as CFC shall require, (c) an opinion of counsel for the Borrower addressing such legal matters as CFC shall reasonably require, and (d) all other such documents as CFC may reasonably request.

(ii) Government Approvals. True and correct copies of all certificates, authorizations, consents, permits and licenses from Governmental Authorities necessary for the execution or delivery of the Loan Documents or performance by the Borrower of the obligations thereunder.

D. Mortgage Recordation. The Mortgage (and any amendments, supplements or restatements as CFC may require from time to time) shall have been duly filed, recorded or indexed in all jurisdictions necessary (and in any other jurisdiction that CFC shall have reasonably requested) to provide CFC a Lien, subject to Permitted Encumbrances, on all of the Borrower's real property, all in accordance with all applicable laws, rules and regulations, and the Borrower shall have paid all applicable taxes, recording and filing fees and caused satisfactory evidence thereof to be furnished to CFC.

E. UCC Filings. Uniform Commercial Code financing statements (and any continuation statements and other amendments thereto that CFC shall require from time to time) shall have been duly filed, recorded or indexed in all jurisdictions necessary (and in any other jurisdiction that CFC shall have reasonably requested) to provide CFC a perfected security interest, subject to Permitted Encumbrances, in the Mortgaged Property which may be perfected by the filing of a financing statement, all in accordance with all applicable laws, rules and regulations, and the Borrower shall have paid all applicable taxes, recording and filing fees and caused satisfactory evidence thereof to be furnished to CFC.

F. Special Conditions of Closing. CFC shall be fully satisfied that the Borrower has complied with all special conditions of closing identified in Schedule 1 hereto.

Section 4.02 Conditions to Advances. The obligation of CFC to make each Advance hereunder is additionally subject to satisfaction of the following conditions:

A. Requisitions. The Borrower will requisition each Advance by submitting its written requisition to CFC, in form and substance satisfactory to CFC. Requisitions for Advances shall be made only for the purposes set forth in Schedule 1 hereto.

B. Representations and Warranties; Default. The representations and warranties contained in Article II shall be true on the date of the making of each Advance hereunder with the same effect as though such representations and warranties had been made on such date; no Event of Default and no event which, with the lapse of time or the notice and lapse of time would become such an Event of Default, shall have occurred and be continuing or will have occurred after giving effect to each Advance on the books of the Borrower; there shall have occurred no material adverse change in the business or condition, financial or otherwise, of the Borrower; and nothing shall have occurred which in the opinion of CFC materially and adversely affects the Borrower's ability to perform its obligations hereunder.

C. Other Information. The Borrower shall have furnished such other information as CFC may reasonably require, including but not limited to (i) information regarding the specific purpose for an Advance and the use thereof, (ii) feasibility studies, cash flow projections, financial analyses and pro forma financial statements sufficient to demonstrate to CFC's reasonable satisfaction that after giving effect to the Advance requested, the Borrower shall continue to

achieve the DSC ratio set forth in Section 5.01.A herein, to meet all of its debt service obligations, and otherwise to perform and to comply with all other covenants and conditions set forth in this Agreement, and (iii) any other information as CFC may reasonably request.

D. Special Conditions of Advances. CFC shall be fully satisfied that the Borrower has complied with all special conditions to advance identified in Schedule 1 hereto.

ARTICLE V COVENANTS

Section 5.01 Affirmative Covenants. The Borrower covenants and agrees with CFC that until payment in full of the Note and performance of all obligations of the Borrower hereunder:

A. Financial Ratios; Design of Rates. The Borrower shall achieve an Average DSC Ratio of not less than 1.35. The Borrower shall not decrease its rates for electric service if it has failed to achieve a DSC Ratio of 1.35 for the calendar year prior to such reduction subject only to an order from a Governmental Authority properly exercising jurisdiction over the Borrower.

B. Loan Proceeds. The Borrower shall use the proceeds of this loan solely for the purposes identified on Schedule 1 hereto.

C. Notice. The Borrower shall promptly notify CFC in writing of:

- (i) any material adverse change in the business, operations, prospects, assets, liabilities or financial condition of the Borrower;
- (ii) the institution or threat of any litigation or administrative proceeding of any nature involving the Borrower which could materially affect the business, operations, prospects, assets, liabilities or financial condition of the Borrower; and
- (iii) the occurrence of an Event of Default hereunder, or any event that, with the giving of notice or lapse of time, or both, would constitute an Event of Default.

D. Default Notices. Upon receipt of any notices with respect to a default by the Borrower under the terms of any evidence of any indebtedness with parties other than CFC or of any loan agreement, mortgage or other agreement relating thereto, the Borrower shall deliver copies of such notice to CFC.

E. Annual Certificates.

(i) Within one hundred twenty (120) days after the close of each calendar year, commencing with the year in which the initial Advance hereunder shall have been made, the Borrower will deliver to CFC a written statement, in form and substance satisfactory to CFC, either (a) signed by the Borrower's General Manager or Chief Executive Officer, or (b) submitted electronically through means made available to the Borrower by CFC, stating that during such year, and to the best of said person's knowledge, the Borrower has fulfilled all of its obligations under this Agreement, the Note, and the Mortgage throughout such year or, if there has been a

default in the fulfillment of any such obligations, specifying each such default known to said person and the nature and status thereof.

(ii) If requested by CFC, the Borrower shall deliver to CFC within one hundred twenty (120) days after the close of each calendar year, a certification, in form and substance satisfactory to CFC, regarding the condition of the Mortgaged Property prepared by a professional engineer satisfactory to CFC. The Borrower shall also deliver to CFC such other information as CFC may reasonably request from time to time.

F. RESERVED

G. Financial Books; Financial Reports; Right of Inspection. The Borrower will at all times keep, and safely preserve, proper books, records and accounts in which full and true entries will be made of all of the dealings, business and affairs of the Borrower, in accordance with Accounting Requirements.

Within one hundred twenty (120) days of the end of each calendar year during the term hereof, the Borrower shall furnish to CFC a full and complete report of its financial condition and statement of its operations as of the end of such calendar year, in form and substance satisfactory to CFC. In addition, within one hundred twenty (120) days of the end of each of the Borrower's fiscal years during the term hereof, the Borrower shall furnish to CFC a full and complete consolidated and consolidating report of its financial condition and statement of its operations as of the end of such fiscal year, audited and certified by independent certified public accountants nationally recognized or otherwise satisfactory to CFC and accompanied by a report of such audit in form and substance satisfactory to CFC, including without limitation a consolidated and consolidating balance sheet and the related consolidated and consolidating statements of income and cash flow. When requested by CFC, the Borrower will prepare and furnish CFC from time to time, additional periodic financial and statistical reports on its condition and operations. All of such reports shall be in such form and include such information as may be specified by CFC.

CFC, through its representatives, shall at all times during reasonable business hours and upon prior notice have access to, and the right to inspect and make copies of, any or all books, records and accounts, and any or all invoices, contracts, leases, payrolls, canceled checks, statements and other documents and papers of every kind belonging to or in the possession of the Borrower or in any way pertaining to its property or business.

H. Notice of Additional Secured Debt. The Borrower will notify CFC promptly in writing if it incurs any additional secured indebtedness other than indebtedness to CFC or indebtedness otherwise provided for in the Mortgage.

I. Funds Requisition. The Borrower agrees (i) that CFC may rely conclusively upon the interest rate option, interest rate term and other written instructions submitted to CFC in the Borrower's written request for an Advance hereunder and (ii) that such instructions shall constitute a covenant under this Agreement to repay the Advance in accordance with such instructions, the applicable Note, the Mortgage and this Agreement.

J. Compliance With Laws. The Borrower and each Subsidiary shall remain in compliance, in all material respects, with all applicable requirements of law and applicable rules and regulations of each Governmental Authority.

K. Taxes. The Borrower shall pay, or cause to be paid, all taxes, assessments or Governmental Authority charges lawfully levied or imposed on or against it and its properties prior to the time they become delinquent, except for any taxes, assessments or charges that are being contested in good faith and with respect to which adequate reserves as determined in good faith by the Borrower have been established and are being maintained.

L. Further Assurances. The Borrower shall execute any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements, fixture filings, mortgages, deeds of trust and other documents), which may be required under any applicable law, rule or regulation, or which CFC may reasonably request, to effectuate the transactions contemplated by the Loan Documents or to grant, preserve, protect or perfect the Liens created or intended to be created thereby. The Borrower also agrees to provide to CFC, from time to time upon request, evidence reasonably satisfactory to CFC as to the perfection and priority of the Liens created or intended to be created by the Loan Documents.

M. Environmental Covenants. The Borrower shall:

- (i) at its own cost, comply in all material respects with all applicable Environmental Laws, including, but not limited to, any required remediation; and
- (ii) if it receives any written communication alleging the Borrower's violation of any Environmental Law, provide CFC with a copy thereof within ten (10) Business Days after receipt, and promptly take appropriate action to remedy, cure, defend, or otherwise affirmatively respond to the matter.

N. Limitations on Loans, Investments and Other Obligations. The aggregate amount of all purchases, investments, loans, guarantees, commitments and other obligations described in Section 5.02.D(i) of this Agreement shall at all times be less than fifteen percent (15%) of Total Utility Plant or fifty percent (50%) of Equity, whichever is greater.

O. Special Covenants. The Borrower agrees that it will comply with any special covenants identified in Schedule 1 hereto.

Section 5.02 Negative Covenants. The Borrower covenants and agrees with CFC that until payment in full of the Note and performance of all obligations of the Borrower hereunder, the Borrower will not, directly or indirectly, without CFC's prior written consent:

A. Limitations on Mergers. Consolidate with, merge, or sell all or substantially all of its business or assets, or enter into an agreement for such consolidation, merger or sale, to another entity or person unless such action is either approved, as is evidenced by the prior written consent of CFC, or the purchaser, successor or resulting corporation is or becomes a member in good standing of CFC and assumes the due and punctual payment of the Note and the due and punctual performance of the covenants contained in the Mortgage and this Agreement.

B. Limitations on Sale, Lease or Transfer of Capital Assets; Application of Proceeds. Sell, lease or transfer (or enter into an agreement to sell, lease or transfer) any capital asset, except in accordance with this Section 5.02.B. If no Event of Default (and no event which with notice or lapse of time and notice would become an Event of Default) shall have occurred and be continuing, the Borrower may, without the prior written consent of CFC, sell,

lease or transfer (or enter into an agreement to sell, lease or transfer) any capital asset in exchange for fair market value consideration paid to the Borrower if the value of such capital asset is less than five percent (5%) of Total Utility Plant and the aggregate value of capital assets sold, leased or transferred in any 12-month period is less than ten percent (10%) of Total Utility Plant. If the Borrower does sell, lease or transfer any capital assets, then the proceeds thereof (less ordinary and reasonable expenses incident to such transaction) shall immediately (i) be applied as a prepayment of the Note, to such installments as may be designated by CFC at the time of any such prepayment; (ii) in the case of dispositions of equipment, material or scrap, applied to the purchase of other property useful in the Borrower's business, although not necessarily of the same kind as the property disposed of, which shall forthwith become subject to the Lien of the Mortgage; or (iii) applied to the acquisition or construction of other property or in reimbursement of the costs of such property.

C. Limitation on Dividends, Patronage Refunds and Other Distributions. Make any Distribution except under the following conditions:

(i) if (a) no Event of Default has occurred and is continuing and (b), after taking into account the effect of the Distribution, the total Equity of the Borrower will be at least twenty percent (20%) of its Total Assets, then the Borrower may make a Distribution in any amount.

(ii) if (a) no Event of Default has occurred and is continuing and (b), after taking into account the effect of the Distribution, the total Equity of the Borrower will be less than twenty percent (20%) of its Total Assets, then the Borrower may make a Distribution in an amount up to thirty percent (30%) of the Borrower's total margins for the preceding calendar year.

D. Limitations on Loans, Investments and Other Obligations.

(i) (a) Purchase, or make any commitment to purchase, any stock, bonds, notes, debentures, or other securities or obligations of or beneficial interests in, (b) make, or enter into a commitment to make, any other investment, monetary or otherwise, in, (c) make, or enter into a commitment to make, any loan to, or (d) guarantee, assume, or otherwise become liable for, or enter into a commitment to guarantee, assume, or otherwise become liable for, any obligation of any Person if, after giving effect to such purchase, investment, loan, guarantee or commitment, the aggregate amount thereof would exceed the greater of fifteen percent (15%) of Total Utility Plant or fifty percent (50%) of Equity.

(ii) The following shall not be included in the limitation of purchases, investments, loans and guarantees in (i) above: (a) bonds, notes, debentures, stock, or other securities or obligations issued by or guaranteed by the United States or any agency or instrumentality thereof; (b) bonds, notes, debentures, stock, commercial paper, subordinated capital certificates, or any other security or obligation issued by CFC or by institutions whose senior unsecured debt obligations are rated by at least two nationally recognized rating organizations in either of their two highest categories; (c) investments incidental to loans made by CFC; (d) any deposit that is fully insured by the United States; (e) loans and grants made by any Governmental Authority to the Borrower under any rural economic development program, but only to the extent that such loans and grants are non-recourse to the Borrower; and (f) unretired patronage capital allocated to the Borrower by CFC, a cooperative from which the Borrower purchases electric power, or a statewide cooperative association of which the Borrower is a member.

(iii) In no event may the Borrower take any action pursuant to subsection (i) if an Event of Default under this Agreement has occurred and is continuing,

E. Organizational Change. Change its type of organization or other legal structure, except as permitted by Section 5.02.A. hereof, in which case the Borrower shall provide at least thirty (30) days prior written notice to CFC together with all documentation reflecting such change as CFC may reasonably require.

F. Notice of Change in Borrower Information. Change its (i) state of incorporation, (ii) legal name, or (iii) mailing address, unless the Borrower provides written notice to CFC at least thirty (30) days prior to the effective date of any such change together with all documentation reflecting any such change as CFC may reasonably require.

ARTICLE VI

EVENTS OF DEFAULT

Section 6.01 The following shall be "Events of Default" under this Agreement:

A. Representations and Warranties. Any representation or warranty made by the Borrower herein, or in any of the other Loan Documents, or in any certificate or financial statement furnished to CFC hereunder or under any of the other Loan Documents shall prove to be false or misleading in any material respect.

B. Payment. The Borrower shall fail to pay (whether upon stated maturity, by acceleration, or otherwise) any principal, interest, premium (if any) or other amount payable under the Note and the Loan Documents within five (5) Business Days after the due date thereof.

C. Other Covenants.

(i) **No Grace Period.** Failure of the Borrower to observe or perform any covenant or agreement contained in Sections 5.01.A, 5.01.B, 5.01.D, 5.01.E, 5.01.G, 5.01.I, 5.01.N or 5.02 of this Agreement.

(ii) **Thirty Day Grace Period.** Failure of the Borrower to observe or perform any other covenant or agreement contained in this Agreement or any of the other Loan Documents, which shall remain unremedied for thirty (30) calendar days after written notice thereof shall have been given to the Borrower by CFC.

D. Legal Existence, Permits and Licenses. The Borrower shall forfeit or otherwise be deprived of (i) its authority to conduct business in the jurisdiction in which it is organized or in any other jurisdiction where such authority is required in order for the Borrower to conduct its business in such jurisdiction or (ii) permits, easements, consents or licenses required to carry on any material portion of its business.

E. Other CFC Obligations. The Borrower shall be in breach or default of any Obligation, which breach or default continues uncured beyond the expiration of any applicable grace period.

F. Other Obligations. The Borrower shall (i) fail to make any payment of any principal, premium or any other amount due or interest on any indebtedness with parties other than CFC which shall remain unpaid beyond the expiration of any applicable grace period, or (ii) be in breach or default with respect to any other term of any evidence of any other indebtedness with parties other than CFC or of any loan agreement, mortgage or other agreement relating thereto which breach or default continues uncured beyond the expiration of any applicable grace period, if the effect of such failure, default or breach is to cause the holder or holders of that indebtedness to cause that indebtedness to become or be declared due prior to its stated maturity (upon the giving or receiving of notice, lapse of time, both or otherwise).

G. Involuntary Bankruptcy. An involuntary case or other proceeding shall be commenced against the Borrower seeking liquidation, reorganization or other relief with respect to it or its debts under bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property and such involuntary case or other proceeding shall continue without dismissal or stay for a period of sixty (60) consecutive days; or an order for relief shall be entered against the Borrower under the federal bankruptcy laws or applicable state law as now or hereafter in effect.

H. Insolvency. The Borrower shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall admit in writing its inability to, or be generally unable to, pay its debts as they become due, or shall take any action to authorize any of the foregoing.

I. Dissolution or Liquidation. Other than as provided in subsection H. above, the dissolution or liquidation of the Borrower, or failure by the Borrower promptly to forestall or remove any execution, garnishment or attachment of such consequence as will impair its ability to continue its business or fulfill its obligations and such execution, garnishment or attachment shall not be vacated within sixty (60) consecutive days. The term "dissolution or liquidation of the Borrower", as used in this subsection, shall not be construed to include the cessation of the corporate existence of the Borrower resulting either from a merger or consolidation of the Borrower into or with another corporation following a transfer of all or substantially all its assets as an entirety, under the conditions set forth in Section 5.02.A.

J. Material Adverse Change. Any material adverse change in the business or condition, financial or otherwise, of the Borrower.

K. Monetary Judgment. The Borrower shall suffer any money judgment not covered by insurance, writ or warrant of attachment or similar process involving an amount in excess of \$100,000 and shall not discharge, vacate, bond or stay the same within a period of sixty (60) days.

L. Nonmonetary Judgment. One or more nonmonetary judgments or orders (including, without limitation, injunctions, writs or warrants of attachment, garnishment, execution, distraint, replevin or similar process) shall be rendered against the Borrower that, either individually or in the aggregate, could reasonably be expected to have a material adverse

effect upon the business, operations, prospects, assets, liabilities or financial condition of the Borrower.

ARTICLE VII

REMEDIES

Section 7.01 If any Event of Default shall occur after the date of this Agreement and shall not have been remedied within the applicable grace period therefor, then in every such event (other than an event described in Section 6.01.G, 6.01.H or 6.01.I) and at any time during the continuance of such event, CFC may:

- (i) Cease making Advances hereunder;
- (ii) Declare all unpaid principal outstanding on the Note, all accrued and unpaid interest thereon, and all other Obligations to be immediately due and payable and the same shall thereupon become immediately due and payable without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived;
- (iii) Exercise rights of setoff or recoupment and apply any and all amounts held, or hereafter held, by CFC or owed to the Borrower or for the credit or account of the Borrower against any and all of the Obligations of the Borrower now or hereafter existing hereunder or under the Note, including, but not limited to, patronage capital allocations and retirements, money due to the Borrower from equity certificates purchased from CFC, and any membership or other fees that would otherwise be returned to the Borrower. The rights of CFC under this section are in addition to any other rights and remedies (including other rights of setoff or recoupment) which CFC may have. The Borrower waives all rights of setoff, deduction, recoupment or counterclaim;
- (iv) Pursue all rights and remedies available to CFC that are contemplated by the Mortgage and the other Loan Documents in the manner, upon the conditions, and with the effect provided in the Mortgage and the other Loan Documents, including, but not limited to, a suit for specific performance, injunctive relief or damages; and
- (v) Pursue any other rights and remedies available to CFC at law or in equity.

If any Event of Default described in Section 6.01.G, 6.01.H or 6.01.I shall occur after the date of this Agreement, then CFC's commitment to make Advances hereunder shall automatically terminate and the unpaid principal outstanding on the Note, all accrued and unpaid interest thereon, and all other Obligations shall thereupon become immediately due and payable without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived. In addition, CFC may pursue all rights and remedies available to CFC that are contemplated by the Mortgage and the other Loan Documents in the manner, upon the conditions, and with the effect provided in the Mortgage and the other Loan Documents, including, but not limited to, a suit for specific performance, injunctive relief or damages and any other rights and remedies available to CFC at law or in equity.

Nothing herein shall limit the right of CFC to pursue all rights and remedies available to a creditor following the occurrence of an Event of Default. Each right, power and remedy of CFC shall be cumulative and concurrent, and recourse to one or more rights or remedies shall not constitute a waiver of any other right, power or remedy.

ARTICLE VIII

MISCELLANEOUS

Section 8.01 Notices. All notices, requests and other communications provided for herein including, without limitation, any modifications of, or waivers, requests or consents under, this Agreement shall be given or made in writing (including, without limitation, by facsimile) and delivered to the intended recipient at the "Address for Notices" specified below; or, as to any party, at such other address as shall be designated by such party in a notice to each other party. All such communications shall be deemed to have been duly given (i) when personally delivered including, without limitation, by overnight mail or courier service, (ii) in the case of notice by United States mail, certified or registered, postage prepaid, return receipt requested, upon receipt thereof, or (iii) in the case of notice by facsimile, upon transmission thereof, provided such transmission is promptly confirmed by either of the methods set forth in clauses (i) or (ii) above in each case given or addressed as provided for herein. The Address for Notices of each of the respective parties is as follows:

The Borrower:

CFC:

The address set forth in
Schedule 1 hereto

National Rural Utilities Cooperative Finance Corporation
20701 Cooperative Way
Dulles, Virginia 20166
Attention: General Counsel
Fax # 866-230-5635

Section 8.02 Expenses. The Borrower shall reimburse CFC for any reasonable costs and out-of-pocket expenses paid or incurred by CFC (including, without limitation, reasonable fees and expenses of outside attorneys, paralegals and consultants) for all actions CFC takes, (a) to enforce the payment of any Obligation, to effect collection of any Mortgaged Property, or in preparation for such enforcement or collection, (b) to institute, maintain, preserve, enforce and foreclose on CFC's security interest in or Lien on any of the Mortgaged Property, whether through judicial proceedings or otherwise, (c) to restructure any of the Obligations, (d) to review, approve or grant any consents or waivers hereunder, (e) to prepare, negotiate, execute, deliver, review, amend or modify this Agreement, and (f) to prepare, negotiate, execute, deliver, review, amend or modify any other agreements, documents and instruments deemed necessary or appropriate by CFC in connection with any of the foregoing.

The amount of all such expenses identified in this Section 8.02 shall be secured by the Mortgage and shall be payable upon demand, and if not paid, shall accrue interest at the then prevailing CFC Variable Rate plus two hundred (200) basis points.

Section 8.03 Late Payments. If payment of any amount due hereunder or under the Note is not received at CFC's office in Dulles, Virginia or such other location as CFC may designate to the Borrower within five (5) Business Days after the applicable due date thereof, the Borrower will pay to CFC, in addition to all other amounts due under the terms of the Loan

Documents, any late payment charge as may be fixed by CFC from time to time pursuant to its policies of general application as in effect from time to time.

Section 8.04 Non-Business Day Payments. If any payment to be made by the Borrower hereunder shall become due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and such extension of time shall be included in computing any interest in respect of such payment.

Section 8.05 Filing Fees. To the extent permitted by law, the Borrower agrees to pay all expenses of CFC (including the reasonable fees and expenses of its counsel) in connection with the filing, registration, recordation or perfection of the Mortgage and any other security instruments as may be required by CFC in connection with this Agreement, including, without limitation, all documentary stamps, recordation and transfer taxes and other costs and taxes incident to execution, filing, registration or recordation of any document or instrument in connection herewith. The Borrower agrees to save harmless and indemnify CFC from and against any liability resulting from the failure to pay any required documentary stamps, recordation and transfer taxes, recording costs, or any other expenses incurred by CFC in connection with this Agreement. The provisions of this subsection shall survive the execution and delivery of this Agreement and the payment of all other amounts due under the Loan Documents.

Section 8.06 Waiver; Modification. No failure on the part of CFC to exercise, and no delay in exercising, any right or power hereunder or under the other Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise by CFC of any right hereunder, or any abandonment or discontinuance of steps to enforce such right or power, preclude any other or further exercise thereof or the exercise of any other right or power. No modification or waiver of any provision of this Agreement, the Note or the other Loan Documents and no consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be in writing by the party granting such modification, waiver or consent, and then such modification, waiver or consent shall be effective only in the specific instance and for the purpose for which given.

SECTION 8.07 GOVERNING LAW; SUBMISSION TO JURISDICTION; WAIVER OF JURY TRIAL.

(A) THE PERFORMANCE AND CONSTRUCTION OF THIS AGREEMENT AND THE NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE COMMONWEALTH OF VIRGINIA.

(B) THE BORROWER HEREBY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE UNITED STATES COURTS LOCATED IN VIRGINIA AND OF ANY STATE COURT SO LOCATED FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THE BORROWER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTIONS THAT IT MAY NOW OR HEREAFTER HAVE TO THE ESTABLISHING OF THE VENUE OF ANY SUCH PROCEEDINGS BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(C) THE BORROWER AND CFC EACH HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY

JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

SECTION 8.08 INDEMNIFICATION. THE BORROWER HEREBY INDEMNIFIES AND AGREES TO HOLD HARMLESS, AND DEFEND CFC AND ITS MEMBERS, DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, ATTORNEYS AND REPRESENTATIVES (EACH AN "INDEMNITEE") FOR, FROM, AND AGAINST ALL CLAIMS, DAMAGES, LOSSES, LIABILITIES, COSTS, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COSTS AND EXPENSES OF LITIGATION AND REASONABLE ATTORNEYS' FEES) ARISING FROM ANY CLAIM OR DEMAND IN RESPECT OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, THE MORTGAGED PROPERTY, OR THE TRANSACTIONS DESCRIBED IN THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND ARISING AT ANY TIME, WHETHER BEFORE OR AFTER PAYMENT AND PERFORMANCE OF ALL OBLIGATIONS UNDER THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS IN FULL, EXCEPTING ANY SUCH MATTERS ARISING SOLELY FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF CFC OR ANY INDEMNITEE. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN SECTION 8.10 HEREOF, THE OBLIGATIONS IMPOSED UPON THE BORROWER BY THIS SECTION SHALL SURVIVE THE REPAYMENT OF THE NOTE, THE TERMINATION OF THIS AGREEMENT AND THE TERMINATION OR RELEASE OF THE LIEN OF THE MORTGAGE.

Section 8.09 Complete Agreement. This Agreement, together with the schedules to this Agreement, the Note and the other Loan Documents, and the other agreements and matters referred to herein or by their terms referring hereto, is intended by the parties as a final expression of their agreement and is intended as a complete statement of the terms and conditions of their agreement. In the event of any conflict in the terms and provisions of this Agreement and any other Loan Documents, the terms and provisions of this Agreement shall control.

Section 8.10 Survival; Successors and Assigns. All covenants, agreements, representations and warranties of the Borrower which are contained in this Agreement shall survive the execution and delivery to CFC of the Loan Documents and the making of the Advances hereunder and shall continue in full force and effect until all of the obligations under the Loan Documents have been paid in full. All covenants, agreements, representations and warranties of the Borrower which are contained in this Agreement shall inure to the benefit of the successors and assigns of CFC. The Borrower shall not have the right to assign its rights or obligations under this Agreement without the prior written consent of CFC, except as provided in Section 5.02.A hereof.

Section 8.11 Use of Terms. The use of the singular herein shall also refer to the plural, and vice versa.

Section 8.12 Headings. The headings and sub-headings contained in this Agreement are intended to be used for convenience only and do not constitute part of this Agreement.

Section 8.13 Severability. If any term, provision or condition, or any part thereof, of this Agreement, the Note or the other Loan Documents shall for any reason be found or held invalid or unenforceable by any Governmental Authority or court of competent jurisdiction, such invalidity or unenforceability shall not affect the remainder of such term, provision or condition nor any other term, provision or condition, and this Agreement, the Note and the other Loan

Documents shall survive and be construed as if such invalid or unenforceable term, provision or condition had not been contained therein.

Section 8.14 Prior Loan Documents. It is understood and agreed that the covenants set forth in this Agreement under the Article entitled "COVENANTS" shall restate and supersede all of the covenants set forth in the corresponding Article or Articles of each Prior Loan Document dealing with covenants, regardless of the specific title or titles thereof, *except for* (a) the LCTC Purchase Provisions, and (b) any special covenant or other specific term set forth on Schedule 1 to any Prior Loan Document, unless otherwise explicitly agreed to in writing by CFC, or superseded by explicit reference thereto in this Agreement. For purposes of the foregoing, this Section 8.14 shall be deemed to amend all Prior Loan Documents, and notwithstanding termination of this Agreement for any reason, this Section 8.14 shall nevertheless survive and shall continue to amend each Prior Loan Document for as long as the respective Prior Loan Document is in effect, but only with respect to the matters set forth in this Section 8.14.

Section 8.15 Binding Effect. This Agreement shall become effective when it shall have been executed by both the Borrower and CFC and thereafter shall be binding upon and inure to the benefit of the Borrower and CFC and their respective successors and permitted assigns.

Section 8.16 Electronic Execution of Loan Documents. The words "execution," "signed," "signature," and words of like import in this Agreement and any Loan Document other than the Notes and the Mortgage shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 8.17 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same document. Signature pages may be detached from the counterparts and attached to a single copy of this Agreement to physically form one document. The Borrower and CFC agree to electronic contracting and signatures (including DocuSign, Adobe Sign and other electronic platforms acceptable to each party) with respect to this Agreement. Delivery of an electronic signature to, or a signed copy of, this Agreement by facsimile, e-mail (e.g., "pdf" or "tif") or other electronic transmission shall be fully binding on the parties to the same extent as the delivery of the manually signed originals and shall be admissible into evidence for all purposes.

Section 8.18 RESERVED

Section 8.19 Schedule 1. Schedule 1 attached hereto is an integral part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

OVERTON POWER DISTRICT NO. 5

By: _____

Title: _____

Attest: _____
Secretary

NATIONAL RURAL UTILITIES
COOPERATIVE FINANCE CORPORATION

By: _____
Assistant Secretary-Treasurer

Attest: _____
Assistant Secretary-Treasurer

SCHEDULE 1

1. The Borrower shall use the proceeds of this loan solely for any or all of the following purposes: (A) to own or to operate any of the property listed in (i) through (vi) below (whether such property now exists or is hereafter constructed by the Borrower or acquired by lease, contract, purchase or otherwise); (B) to own or to operate any interest or other participation in any of such property; (C) to own or to exercise any rights to the output or capacity of any such property; and (D) for the reasonable costs and expenses incurred by the Borrower in connection with any of such property *provided, however*, that the Borrower may also use the proceeds of this loan (W) to purchase Capital Certificates as required herein, (X) to refinance indebtedness of the Borrower to any lender, (Y) upon CFC's receipt of a copy of the Borrower's invoice from the National Rural Electric Cooperative Association ("NRECA") for a prepayment of a portion of the Borrower's future funding obligations to the NRECA Retirement Security Plan, to make such prepayment, and (Z) with CFC's prior written consent, to prepay a portion of the Borrower's future funding obligations to any other defined benefit retirement plan:
 - (i) interests in all electric generation, transmission, distribution, conservation, load management, general plant and other facilities related to the Borrower's electric business;
 - (ii) interests in, and equipment or property (real or personal) used in the operation of, any mine, well, pipeline, plant, structure or other facility used for the development, production, manufacture, storage, fabrication or processing of fuel for the Borrower's electric business;
 - (iii) with CFC's prior written consent, interests in, and equipment or property (real or personal) used in the operation of, any mine, well, pipeline, plant, structure or other facility with respect to the supply of water in connection with the Borrower's electric business;
 - (iv) with CFC's prior written consent, water and waste systems, solid waste disposal facilities, natural gas distribution systems, telecommunications and other electronic communications systems, in each case located substantially within the Borrower's electric service territory;
 - (v) with CFC's prior written consent, interests in other community infrastructure located substantially within the Borrower's electric service territory and not specifically identified herein; and
 - (vi) with respect to each of the foregoing (i) through (v):
 - (a) all property, fixtures, structures and other property associated therewith;
 - (b) all additions, betterments, extensions, and improvements thereto;
 - (c) all lands, easements and rights-of-way associated therewith; and
 - (d) all licenses, contract rights and other tangible and intangible assets used or useful in connection with or related thereto.

2. The aggregate CFC Commitment is \$36,000,000.00. Within this aggregate amount, the Borrower may, at its discretion, execute one or more Notes, each Note representing a separate loan with CFC and containing a face amount and Maturity Date in accordance with the terms, conditions and provisions of this Agreement.
3. Draw Period shall mean the period of beginning on the date hereof and ending on the date that is five (5) years thereafter.
4. The Mortgage shall mean the Restated Mortgage and Security Agreement dated as of even date herewith, between the Borrower and CFC, as it may have been supplemented, amended, consolidated, or restated from time to time.
5. The Notes executed pursuant hereto and the amortization method for such Notes are as follows:

LOAN NUMBER	AMOUNT	AMORTIZATION METHOD
NV004-V-9004	\$36,000,000.00	As selected by Borrower in a written funds requisition at the time of Advance

6. The Payment Date months are March, June, September, and December.
7. The Subsidiaries of the Borrower referred to in Section 2.01.B are:

<u>Name of Subsidiary</u>	<u>% of Borrower's ownership</u>
N/A	
8. The date of the Borrower's balance sheet referred to in Section 2.01.H is December 31, 2024.
9. The Borrower's exact legal name is: Overton Power District No. 5
10. The Borrower's organizational type is: general improvement district
11. The Borrower is organized under the laws of the state of: Nevada
12. The place of business or, if more than one, the chief executive office of the Borrower referred to in Section 2.01.I is 615 North Moapa Valley Blvd, Overton, NV 89040-0395.
13. The Governmental Authority referred to in Section 2.01.J is: N/A
14. The special conditions of closing referred to in Section 4.01.F are as follows: None
15. The special conditions of advance referred to in Section 4.02.D are as follows: None
16. The special covenant(s) referred to in Section 5.01.O is (are) as follows: None
17. The address for notices to the Borrower referred to in Section 8.01 is:

If by personal delivery (including overnight mail or courier service):

Overton Power District No. 5
615 North Moapa Valley Blvd
Overton, NV 89040-0395
Attention: General Manager

If by United States mail:

Overton Power District No. 5
P.O. Box 395
Overton, NV 89040-0395
Attention: General Manager

If by facsimile:
Fax: (702) 397-2583



Funds Requisition Statement

Borrower Name	Borrower ID #	Requested Funding Date

Banking Information/Distribution of Proceeds

Bank Name		
Bank Account #		Routing #
Other Instructions		

Certification

I hereby certify that as of the date below: (1) I am duly authorized to make this certification and to request funds on behalf of the Borrower (each such request, an "Advance") in accordance with the loan agreement governing the Advance (the "Loan Agreement"); (2) no Event of Default (as defined in the Loan Agreement) has occurred and is continuing; (3) I know of no other event that has occurred which, with the lapse of time and/or notification to CFC of such event, or after giving effect to the Advance, would become such an Event of Default; (4) all of the representations and warranties made in the Loan Agreement are true; (5) the Borrower has satisfied each other condition to the Advance as set forth in the Loan Agreement; and (6) the proceeds of the Advance will be used only for the purposes permitted by the Loan Agreement. I hereby authorize CFC to make Advances on the following terms; and hereby agree that such terms shall be binding upon Borrower under the provisions of the Loan Agreement.

Facility Number	Amount	Repayment Term	Interest Rate Type (Fixed/Variable)	Interest Rate Term (if Fixed Rate)	Amortization Method

Advance Purpose(s) By Dollar Amount –please only select one purpose per line; if the advance is for multiple purposes, list each amount on a separate line and select the appropriate purpose

Facility #	Amount	Purpose					
		<input type="checkbox"/> Distribution/Transmission Plant*	<input type="checkbox"/> HQ Facility	<input type="checkbox"/> Other Purposes**	<input type="checkbox"/> Generation	<input type="checkbox"/> Non-Electric Operations	<input type="checkbox"/> Refinance Other Lender
		<input type="checkbox"/> Distribution/Transmission Plant*	<input type="checkbox"/> HQ Facility	<input type="checkbox"/> Other Purposes**	<input type="checkbox"/> Generation	<input type="checkbox"/> Non-Electric Operations	<input type="checkbox"/> Refinance Other Lender
		<input type="checkbox"/> Distribution/Transmission Plant*	<input type="checkbox"/> HQ Facility	<input type="checkbox"/> Other Purposes**	<input type="checkbox"/> Generation	<input type="checkbox"/> Non-Electric Operations	<input type="checkbox"/> Refinance Other Lender
		<input type="checkbox"/> Distribution/Transmission Plant*	<input type="checkbox"/> HQ Facility	<input type="checkbox"/> Other Purposes**	<input type="checkbox"/> Generation	<input type="checkbox"/> Non-Electric Operations	<input type="checkbox"/> Refinance Other Lender

*Only includes capitalized costs for New Line Construction, Line System Upgrades and Replacements, Substations, and Rural Distribution and Transmission Acquisitions.

**Includes Operating Expenses, Non-Rural Acquisitions, Equity Purchases, Pension Costs, Water and Sewer, and Other Expenses not noted above.

Certified by: _____
 Signature Date Title of Authorized Officer

PLEASE FAX TO 703-467-5652 ATTN: _____, Associate Vice President

*****FOR INTERNAL USE ONLY*****	
Recommended By: _____ AVP	Approved By: _____ AVP/VPPM

SECURED PROMISSORY NOTE

\$36,000,000.00

dated as of _____

OVERTON POWER DISTRICT NO. 5, a general improvement district organized and existing under the laws of the State of Nevada (the "Borrower"), for value received, hereby promises to pay, without setoff, deduction, recoupment or counterclaim, to the order of NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION (the "Payee"), at its office in Dulles, Virginia or such other location as the Payee may designate to the Borrower, in lawful money of the United States, the principal sum of THIRTY SIX MILLION AND 00/100 U.S. DOLLARS (\$36,000,000.00), or such lesser sum of the aggregate unpaid principal amount of all advances made by the Payee pursuant to that certain Loan Agreement dated as of even date herewith between the Borrower and the Payee, as it may be amended from time to time (herein called the "Loan Agreement") on the dates and in the principal amounts provided in the Loan Agreement, and to pay interest on all amounts remaining unpaid hereunder from the date of each advance in like money, at said office, at the rates, in amounts and on the dates provided in the Loan Agreement together with any other amount payable under the Loan Agreement. If not sooner paid, any balance of the principal amount and interest accrued thereon shall be due and payable forty (40) years from the date of the Loan Agreement (such date herein called the "Maturity Date") *provided, however,* that if such date is not a Payment Date (as defined in the Loan Agreement), then the Maturity Date shall be the Payment Date immediately preceding such date.

This Note is secured under a Restated Mortgage and Security Agreement dated as of even date herewith, between the Borrower and the Payee, as it may be supplemented, amended, consolidated or restated from time to time ("Mortgage"). This Note is one of the Notes referred to in, and has been executed and delivered pursuant to, the Loan Agreement.

The principal hereof and interest accrued thereon and any other amount due under the Loan Agreement may be declared to be forthwith due and payable in the manner, upon the conditions, and with the effect provided in the Mortgage or the Loan Agreement.

The Borrower waives demand, presentment for payment, notice of dishonor, protest, notice of protest, and notice of non-payment of this Note.

IN WITNESS WHEREOF the Borrower has caused this Note to be signed in its corporate name and to be attested by its duly authorized officers, all as of the day and year first above written.

OVERTON POWER DISTRICT NO. 5

By: _____

Title: _____

Attest: _____

Secretary

Loan No. NV004-V-9004

=====

RESTATED MORTGAGE

AND

SECURITY AGREEMENT

Made By And Between

OVERTON POWER DISTRICT NO. 5

Mortgagor

and

NATIONAL RURAL UTILITIES
COOPERATIVE FINANCE CORPORATION

Mortgagee

Dated as of _____

THIS INSTRUMENT GRANTS A SECURITY INTEREST
IN A TRANSMITTING UTILITY.

THIS INSTRUMENT CONTAINS FUTURE ADVANCE PROVISIONS
MADE BY THE MORTGAGEE TO THE MORTGAGOR
AND FUTURE OBLIGATIONS OF THE MORTGAGOR TO THE MORTGAGEE.

THIS INSTRUMENT CONTAINS AFTER-ACQUIRED PROPERTY PROVISIONS.

THIS INSTRUMENT WAS DRAFTED BY CARRIE SHANNON, ASSISTANT GENERAL
COUNSEL
OF NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION
20701 COOPERATIVE WAY, DULLES, VIRGINIA 20166
MORTGAGEE'S TELEPHONE NUMBER IS 1-800-424-2954

=====

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RESTATED MORTGAGE AND SECURITY AGREEMENT, dated as of _____, ("Mortgage") is made by and between OVERTON POWER DISTRICT NO. 5 (hereinafter called the "Mortgagor"), a general improvement district organized and existing under the laws of the State of Nevada, and NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION (hereinafter called "CFC" or the "Mortgagee"), a cooperative association incorporated under the laws of the District of Columbia.

RECITALS

WHEREAS, the Mortgagor and CFC are parties to the Original Mortgage (as hereinafter defined);

WHEREAS, the Mortgagor has heretofore borrowed funds from the Mortgagee pursuant to one or more Outstanding Loan Agreements (as hereinafter defined), has heretofore duly authorized, executed and delivered to CFC the Outstanding Notes (as hereinafter defined), and has heretofore secured the Outstanding Notes by the Original Mortgage;

WHEREAS, the Mortgagor has decided to borrow funds from the Mortgagee pursuant to the Current Loan Agreement (as hereinafter defined);

WHEREAS, pursuant to the Current Loan Agreement, the Mortgagor has duly authorized, executed and delivered to the Mortgagee one or more Current Notes (as hereinafter defined) to be secured by the mortgage of the property hereinafter described;

WHEREAS, it is contemplated that the Current Notes, the Outstanding Notes and the Additional Notes (as hereinafter defined) shall be secured on a pari passu basis by this Mortgage;

WHEREAS, this Mortgage, while preserving the priority of CFC's lien under the Original Mortgage, restates and consolidates the Original Mortgage and secures the payment of Outstanding Notes and Current Notes, and further secures the payment of any Additional Notes;

WHEREAS, all acts necessary to make this Mortgage a valid and binding legal instrument for the security of such notes and related obligations, subject to the terms of this Mortgage, have been in all respects duly authorized; and

WHEREAS, the Mortgagor and the Mortgagee are authorized to enter into this Mortgage.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants contained herein, do agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Capitalized terms used in this Mortgage shall have the meanings specified below. The terms defined herein include the plural as well as the singular and the singular as well as the plural.

Accounting Requirements shall mean any system of accounts prescribed by a federal regulatory authority having jurisdiction over the Mortgagor or, in the absence thereof, the requirements of GAAP applicable to businesses similar to that of the Mortgagor.

Additional Notes shall mean any Notes secured hereunder issued by the Mortgagor to CFC or RUS pursuant to Article III hereof including any refunding, renewal, or substitute Notes which may from time to time be executed and delivered by the Mortgagor pursuant to the terms of Article III hereof and all other evidences of indebtedness by the Mortgagor to CFC or RUS including but not limited to line of credit agreements, agreements to issue one or more letters of credit on behalf of the Mortgagor, and any similar agreements to extend credit or otherwise to provide credit facilities to the Mortgagor executed and delivered by the Mortgagor pursuant to the terms of Article III hereof, including all amendments, supplements and extensions thereto.

Business Day shall mean any day that both CFC and the depository institution CFC utilizes for funds transfers are both open for business.

CFC is defined in the introductory clause to this Mortgage and shall include its successors and assigns.

Current Loan Agreement means that certain loan agreement by and between CFC and the Mortgagor identified as such in the Instruments Recital, together with all amendments, modifications and supplements thereto and restatements thereof.

Current Notes shall mean the Notes identified as such in the Instruments Recital and issued under the Current Loan Agreement.

Debt Service Coverage Ratio ("DSC") shall mean the ratio determined as follows: for any calendar year add (a) Operating Margins, (b) Non-Operating Margins--Interest, (c) Interest Expense, (d) Depreciation and Amortization Expense for such year, and (e) cash received in respect of generation and transmission and other capital credits, and divide the sum so obtained by the sum of all payments of Principal and Interest Expense required to be made during such calendar year; provided, however, that in the event that any Long-Term Debt has been refinanced during such year the payments of Principal and Interest Expense required to be made during such year on account of such Long-Term Debt shall be based (in lieu of actual payments required to be made on such refinanced debt) upon the larger of (i) an annualization of the payments required to be made with respect to the refinancing debt during the portion of such year such refinancing debt is outstanding or (ii) the payment of Principal and Interest Expense required to be made during the following year on account of such refinancing debt.

Depreciation and Amortization Expense shall mean an amount constituting the depreciation and amortization of the Mortgagor as computed pursuant to the Accounting Requirements.

Equities and Margins shall mean Mortgagor's equities and margins computed pursuant to the Accounting Requirements.

Equity shall mean the aggregate of Mortgagor's Equities and Margins as computed pursuant to the Accounting Requirements.

Event of Default shall have the meaning specified in Section 5.01 hereof.

Excepted Property shall have the meaning specified in Section 2.01 hereof.

GAAP shall mean generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements, codifications and pronouncements of the Financial Accounting Standards Board.

Instruments Recital shall mean Appendix A hereto.

Interest Expense shall mean an amount constituting the interest expense with respect to Total Long-Term Debt of the Mortgagor as computed pursuant to the Accounting Requirements. In computing Interest Expense, there shall be added, to the extent not otherwise included, an amount equal to 33-1/3% of the excess of Restricted Rentals paid by the Mortgagor over two percent (2%) of the Mortgagor's Equities and Margins.

Lien shall mean any statutory or common law consensual or non-consensual mortgage, pledge, security title, security interest, encumbrance, lien, right of set off, claim or charge of any kind, including, without limitation, any conditional sale or other title retention transaction, any lease transaction in the nature thereof and any secured transaction under the Uniform Commercial Code.

Loan Agreement shall mean, collectively:

- a) the Outstanding Loan Agreement;
- b) the Current Loan Agreement; and
- c) any other loan agreement executed by and between the Mortgagor and CFC or the United States of America, acting by and through the administrator of the Rural Utilities Service (including its successors and assigns) in connection with the execution and delivery of any Notes secured hereby and all amendments, modifications and supplements thereto and restatements thereof.

Long-Term Debt shall mean any amount included in Total Long-Term Debt computed pursuant to the Accounting Requirements.

Long-Term Leases shall mean leases having unexpired terms (taking into account terms of renewal at the option of the lessor, whether or not such leases have previously been renewed) of more than 12 months.

Maximum Debt Limit shall mean the amount more particularly described in the Instruments Recital.

Mortgaged Property shall have the meaning specified in Section 2.01 hereof.

Mortgagee shall mean CFC and its successor and assigns.

Non-Operating Margins--Interest shall mean the amount of non-operating margins--interest of Mortgagor as computed pursuant to the Accounting Requirements.

Note or Notes shall mean one or more of the Current Notes, and any other Outstanding or Additional Notes secured under this Mortgage.

Operating Margins shall mean the net amount of operating revenue and patronage capital less the total cost of electric service of the Mortgagor as computed pursuant to the Accounting Requirements.

Original Mortgage shall mean that certain Mortgage and Security Agreement dated as of December 23, 2003, entered into between the Mortgagor and CFC; and as supplemented, amended or restated, prior to the date hereof and identified in the Instruments Recital.

Outstanding Loan Agreements shall mean those loan agreements between Mortgagor and CFC identified as such in the Instruments Recital, together with all amendments, modifications and supplements thereto and restatements thereof.

Outstanding Notes shall mean the Notes identified as such in the Instruments Recital.

Permitted Encumbrances shall mean:

- (i) any Liens for taxes, assessments or governmental charges for the current year and taxes, assessments or governmental charges due but not yet delinquent;
- (ii) Liens for workmen's compensation awards and similar obligations not then delinquent;
- (iii) mechanics', laborers', materialmen's and similar Liens not then delinquent, and any such Lien, whether or not delinquent, whose validity is at the time being contested in good faith and has not proceeded to judgment;
- (iv) Liens and charges incidental to construction or current operation which have not been filed or asserted or the payment of which has been adequately secured or which, in the opinion of counsel to the Mortgagor are insignificant in amount;
- (v) Liens securing obligations not assumed by the Mortgagor and on account of which it does not pay and does not expect to pay interest, existing upon real estate (or rights in or relating to real estate) over or in respect of which the Mortgagor has a right-of-way or other easement for substation, transmission, distribution or other right-of-way purposes;

(vi) any right which the United States of America or any state or municipality or governmental body or agency may have by virtue of any franchise, license, contract or statute to purchase, or designate a purchaser of, or order the sale of, any property of the Mortgagor upon payment of reasonable compensation therefor, or upon reasonable compensation or conditions to terminate any franchise, license or other rights before the expiration date hereof or to regulate the property and business of the Mortgagor;

(vii) attachment of judgment Liens covered by insurance (to the extent of the insurance coverage), or upon appeal and covered by bond;

(viii) deposits or pledges to secure payment of workmen's compensation, unemployment insurance, old age pensions or other social security;

(ix) deposits or pledges to secure performance of bids, tenders, contracts (other than contracts for the payment of borrowed money), leases, public or statutory obligations;

(x) surety or appeal bonds, and other deposits or pledges for purposes of like general nature in the ordinary course of business;

(xi) easements or reservations in respect to any property for the purpose of transmission and distribution lines and rights-of-way and similar purposes, zoning ordinances, regulations, reservations, restrictions, covenants, party wall agreements, conditions of record and other encumbrances (other than to secure the payment of money), none of which in the opinion of counsel to the Mortgagor is such as to interfere in any material respect with the proper operation of the property affected thereby;

(xii) the burdens of any law or governmental organization or permit requiring the Mortgagor to maintain certain facilities or perform certain acts as a condition of its occupancy of or interference with any public land or any river, stream or other waters or relating to environmental matters;

(xiii) any Lien or encumbrance for the discharge of which moneys have been deposited in trust with a proper depository to apply such moneys to the discharge of such Lien or encumbrances;

(xiv) any Lien reserved as security for rent or compliance with other provisions of the lease in case of any leasehold estate made, or existing on property acquired in the ordinary course of business or in connection with Restricted Rentals permitted by Section 4.03;

(xv) Liens for purchase money indebtedness permitted by Section 4.03; and

(xvi) the Lien of the Original Mortgage.

Principal shall mean the amount of principal billed on account of Total Long-Term Debt of Mortgagor as computed pursuant to the Accounting Requirements.

RUS shall mean the United States of America, acting by and through the Administrator of the Rural Utilities Service, formerly known as the Rural Electrification Administration and shall include its successors and assigns.

Restricted Rentals shall mean all rentals required to be paid under finance leases and charged to income, exclusive of any amounts paid under any such lease (whether or not designated therein as rental or additional rental) for maintenance or repairs, insurance, taxes, assessments, water rates or similar charges. For the purpose of this definition, the term "finance lease" shall mean any lease having a rental term (including the term for which such lease may be renewed or extended at the option of the lessee) in excess of 3 years and covering property having an initial cost in excess of \$250,000 other than automobiles, trucks, trailers, other vehicles (including without limitation aircraft and ships), office, garage and warehouse space and office equipment (including without limitation computers).

Subordinated Indebtedness shall mean indebtedness of the Mortgagor, payment of which shall be subordinated to the prior payment of the Notes by a subordination agreement in form and substance satisfactory to the Mortgagee, which approval will not be unreasonably withheld.

Total Assets shall mean an amount constituting total assets of the Mortgagor computed pursuant to the Accounting Requirements.

Total Long-Term Debt shall mean an amount constituting the long-term debt of the Mortgagor as computed pursuant to the Accounting Requirements.

Total Utility Plant shall mean the amount constituting the total utility plant of the Mortgagor computed in accordance with the Accounting Requirements.

UCC shall mean the Uniform Commercial Code of the jurisdiction governing construction of this Mortgage.

Section 1.02. Construction of Mortgage. Except to the extent expressly set forth herein, accounting terms used in this Mortgage and not referred to above shall have the meanings assigned to them under Accounting Requirements.

ARTICLE II

SECURITY

Section 2.01. Granting Clause. In order to secure equally and ratably the payment of the principal of (and premium, if any) and interest on and any other amount due hereunder, under the Notes and under the Loan Agreements (collectively, the "Secured Obligations"), according to their tenor and effect, and further to secure the due performance of the covenants, agreements and provisions contained in this Mortgage and the Loan Agreements and to declare the terms and conditions upon which the Notes are to be secured, the Mortgagor, in consideration of the premises, has executed and delivered this Mortgage, and has granted, bargained, sold, conveyed, warranted, assigned, transferred, mortgaged, pledged and set over, and by these presents does hereby grant, bargain, sell, convey, warrant, assign, transfer, mortgage, pledge and set over unto the Mortgagee, and the Mortgagor does hereby grant to the Mortgagee, for the

purposes herein expressed, a security interest in the following properties, assets and rights of the Mortgagor, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof (hereinafter sometimes called the "Mortgaged Property"):

I

All right, title and interest, whether fee or leasehold, of the Mortgagor in real property set forth in Appendix B hereto, subject in each case to those matters set forth therein;

II

All right, title and interest of the Mortgagor in and to the electric generating plants and facilities and electric transmission and distribution lines and facilities now owned by the Mortgagor and located in the counties listed in Appendix B hereto, or hereafter constructed or acquired by the Mortgagor, wherever located, and in and to all extensions and improvements thereof and additions thereto, including any and all other property of every kind, nature and description, used, useful or acquired for use by the Mortgagor in connection therewith, and including, without limitation, the property described in the property schedule listed on or attached to Appendix B hereto;

III

All right, title and interest of the Mortgagor in, to and under any and all grants, privileges, rights of way and easements now owned, held, leased, enjoyed or exercised, or which may hereafter be owned, held, leased, acquired, enjoyed or exercised, by the Mortgagor for the purposes of, or in connection with, the construction or operation by or on behalf of the Mortgagor of electric transmission or distribution lines or systems, whether underground or overhead or otherwise, or of any electric generating plant, wherever located;

IV

All right, title and interest of the Mortgagor in, to and under any and all licenses, franchises, ordinances, privileges and permits heretofore granted, issued or executed, or which may hereafter be granted, issued or executed, to it or to its assignors by the United States of America, or by any state, or by any county, township, municipality, village or other political subdivision thereof, or by any agency, board, commission or department of any of the foregoing, authorizing the construction, acquisition or operation of electric transmission or distribution lines or systems, or any electric generating plant or plants, insofar as the same may by law be assigned, granted, bargained, sold, conveyed, transferred, mortgaged or pledged;

V

All right, title and interest of the Mortgagor in, to and under all personal property and fixtures of every kind and nature including without limitation all goods (including inventory, equipment and any accessions thereto), instruments (including promissory notes), documents, accounts, chattel paper, deposit accounts, letter-of-credit rights, investment property (including certificated and uncertificated securities, security

entitlements and securities accounts), software, general intangibles, supporting obligations, any other contract rights or rights to the payment of money, insurance claims and proceeds (as such terms are defined in the UCC; provided, however, that the term "instrument" shall be such term as defined in Article 9 of the UCC rather than Article 3);

VI

All right, title and interest of the Mortgagor in, to and under any and all agreements, leases or contracts heretofore or hereafter executed by and between the Mortgagor and any person, firm or corporation relating to the Mortgaged Property (including contracts for the lease, occupancy or sale of the Mortgaged Property, or any portion thereof);

VII

All right, title and interest of the Mortgagor in, to and under any and all books, records and correspondence relating to the Mortgaged Property, including, but not limited to: all records, ledgers, leases and computer and automatic machinery software and programs, including without limitation, programs, databases, disc or tape files and automatic machinery print outs, runs and other computer prepared information indicating, summarizing evidencing or otherwise necessary or helpful in the collection of or realization on the Mortgaged Property (in each case, subject to any licensing agreements then in effect);

VIII

Also, all right, title and interest of the Mortgagor in and to all other property, real or personal, tangible or intangible, of every kind, nature and description, and wheresoever situated, now owned or hereafter acquired by the Mortgagor, it being the intention hereof that all such property now owned but not specifically described herein or acquired or held by the Mortgagor after the date hereof shall be as fully embraced within and subjected to the Lien hereof as if the same were now owned by the Mortgagor and were specifically described herein to the extent only, however, that the subjection of such property to the Lien hereof shall not be contrary to law;

Together with all rents, income, revenues, profits, cash, proceeds and benefits at any time derived, received or had from any and all of the above-described property or business operations of the Mortgagor, to the fullest extent permitted by law.

There is, however, expressly excepted from the Lien and operation of this Mortgage the following described property whether now owned or hereafter acquired by the Mortgagor (herein sometimes referred to as the "Excepted Property"):

- (A) automobiles, trucks, trailers, tractors or other vehicles (including, without limitation, aircraft, towboats, tugboats, barges, vessels, or ships, if any, which are titled and/or registered in any state of the United States of America) owned or used by the Mortgagor; and
- (B) the property identified in Appendix C hereto (if any).

TO HAVE AND TO HOLD all and singular the Mortgaged Property unto the Mortgagee and its assigns forever, to secure equally and ratably the payment of the principal of (and premium, if any) and interest on and any other amount due hereunder, under the Notes and under the Loan Agreements, according to their tenor and effect, without preference, priority or distinction as to interest or principal (except as otherwise specifically provided herein) or as to Lien or otherwise of any Note over any other Note by reason of the priority in time of the execution, delivery or maturity thereof or of the assignment or negotiation thereof, or otherwise, and to secure the due performance of the covenants, agreements and provisions herein and in the Loan Agreements contained, and for the uses and purposes and upon the terms, conditions, provisos and agreements hereinafter expressed and declared.

ARTICLE III

ADDITIONAL SECURED NOTES

Section 3.01. Additional Secured Notes.

A. Without the prior consent of the Mortgagee, the Mortgagor may issue Additional Notes to RUS, which Notes will thereupon be secured equally and ratably with the Notes if the following requirements are satisfied:

(i) As evidenced by a certificate of an independent certified public accountant delivered to the Mortgagee, the Mortgagor shall have achieved (a) for each of the two calendar years preceding, or any two consecutive 12 month periods ending within 180 days preceding the issuance of such Notes, a DSC of not less than 1.35 and (b) Equity of not less than twenty percent (20%) of Total Assets after taking into consideration such new indebtedness and the assets created by such indebtedness; and

(ii) No Event of Default or any event which with the giving of notice or lapse of time or both would become an Event of Default has occurred and is continuing hereunder.

B. Without the prior consent of the Mortgagee, the Mortgagor may issue Additional Notes for the purpose of refunding or refinancing any Notes, which Additional Notes will thereupon be secured equally and ratably with the Notes, so long as (i) the total amount of outstanding indebtedness evidenced by any such Additional Note is not greater than 105 percent of the Note being refunded or refinanced and (ii) no Event of Default or any event which with the giving of notice or lapse of time or both would become an Event of Default, has occurred and is continuing hereunder.

Notwithstanding either of the foregoing, CFC may offer additional credit facilities to the Mortgagor to be secured hereunder, and the Mortgagor may issue Additional Notes to CFC in connection therewith, which Notes will thereupon be secured equally and ratably with the Notes, without the Mortgagee meeting the above requirements.

Section 3.02. Additional Conditions. The Mortgagor and the Mortgagee will, if required by law or the Mortgagee execute an amendment, supplement, or restatement of this Mortgage: (1) to subject to the Lien of this Mortgage any Mortgaged Property being acquired or constructed with the proceeds of such Additional Note or add such Additional

Note as debt secured under this Mortgage on a pari passu basis and (2) file and record such amendment, supplement, or restatement in all places necessary or required by the Mortgagee in order to perfect the Lien of this Mortgage for the ratable benefit of the holder and all the Mortgagees hereunder. The Mortgagor and the Mortgagee agree to execute such amendment, supplement or restatement, or such other instruments or documents, as may be reasonably required in order to carry out the intent of this Section, and promptly after the execution and delivery of such Additional Note, the Mortgagor shall provide evidence satisfactory to the Mortgagee (including, without limitation, an opinion of counsel acceptable to the Mortgagee) that the requirements of this Section have been satisfied.

Section 3.03. Maximum Debt Limit. The Notes at any one time secured by this Mortgage shall not in the aggregate principal amount exceed the Maximum Debt Limit.

ARTICLE IV

PARTICULAR COVENANTS OF THE MORTGAGOR

The Mortgagor covenants with the Mortgagee as follows:

Section 4.01. Authority to Execute and Deliver Notes and Mortgage; All Action Taken; Enforceable Obligations. The Mortgagor is authorized under its articles of incorporation and bylaws and all applicable laws and by corporate action to execute and deliver the Notes and this Mortgage; and the Notes and this Mortgage are, and any Additional Notes when executed and delivered will be, the valid and enforceable obligations of the Mortgagor in accordance with their respective terms.

Section 4.02. Authority to Mortgage Property; No Liens; Exception for Permitted Encumbrances; Mortgagor to Defend Title and Remove Liens. The Mortgagor warrants that it is the owner of, or has other rights in the Mortgaged Property, that it has good, right and lawful authority to mortgage the Mortgaged Property for the purposes herein expressed, and that the Mortgaged Property is free and clear of any Lien except the Lien of this Mortgage and Permitted Encumbrances. Except as to Permitted Encumbrances which are entitled to priority under the law, the Mortgagor will, so long as any of the Notes shall be outstanding, maintain and preserve the Lien of this Mortgage superior to all other Liens affecting the Mortgaged Property and will forever warrant and defend the title to the Mortgaged Property against any and all claims and demands. Subject to the provisions of Section 4.03, or unless approved by the Mortgagee, the Mortgagor will purchase all materials, equipment and replacements to be incorporated in or used in connection with the Mortgaged Property outright and not subject to any conditional sales agreement, chattel mortgage, bailment, lease or other agreement reserving to the seller any right, title or Lien, except for Permitted Encumbrances. Except for Permitted Encumbrances, the Mortgagor will promptly pay or discharge any and all obligations for or on account of which any such Lien or charge might exist or could be created and any and all lawful taxes, rates, levies, assessments, Liens, claims or other charges imposed upon or accruing upon any of the Mortgaged Property (whether taxed to the Mortgagor or to the Mortgagee), or the franchises, earnings or business of the Mortgagor, as and when the same shall become due and payable; provided, however, that this provision shall not be deemed to require the payment or discharge of any tax, rate, levy, assessment or other governmental charge while the Mortgagor is contesting the

validity thereof by appropriate proceedings in good faith and so long as it shall have set aside on its books adequate reserves with respect thereto.

Except to secure loans made by the Mortgagee to the Mortgagor as specified in Article III hereof or for purchase money indebtedness permitted under Section 4.03 hereof, the Mortgagor will not, without prior written consent of the Mortgagee, create or incur or suffer or permit to be created or incurred or to exist any Lien, charge, assign, pledge, mortgage or otherwise encumber any of the Mortgaged Property, except for Permitted Encumbrances.

Section 4.03. Additional Permitted Debt. Except as permitted by Article III hereof and the Loan Agreement, the Mortgagor shall not incur, assume, guarantee or otherwise become liable in respect of any debt (including Subordinated Indebtedness) other than the following:

- (1) The Secured Obligations;
- (2) Purchase money indebtedness in non-electric utility property, in an amount not exceeding ten percent (10%) of Total Utility Plant or fifty percent (50%) of Equity, whichever is greater;
- (3) Restricted Rentals in an amount not to exceed five percent (5%) of Equity during any 12 consecutive calendar month period;
- (4) Unsecured current debt and lease obligations incurred in the ordinary course of business including accounts payable for goods and services; and
- (5) Unsecured indebtedness.

Section 4.04. Compliance With Laws. The Mortgagor will comply with all valid laws, ordinances, regulations and requirements applicable to it or its property.

Section 4.05. Maintenance of Mortgaged Property. So long as the Mortgagor holds title to the Mortgaged Property, the Mortgagor will at all times maintain and preserve the Mortgaged Property in good repair, working order and condition, ordinary wear and tear and acts of God excepted, and in compliance with all applicable laws, regulations and orders, and will from time to time make all necessary and proper repairs, renewals, and replacements, and useful and proper alterations, additions, betterments and improvements, and will, subject to contingencies beyond its reasonable control, at all times keep its plant and properties in continuous operating condition and use all reasonable diligence to furnish the consumers served by it through the Mortgaged Property, or any part thereof, with an adequate supply of electric energy and other services furnished by the Mortgagor. If any substantial part of the Mortgaged Property is leased by the Mortgagor to any other party, the lease agreement between the Mortgagor and the lessee shall obligate the lessee to comply with the provisions of this Section in respect of the leased facilities and permit the Mortgagor to operate the leased facilities in the event of any failure by the lessee to so comply.

Section 4.06. Insurance; Restoration of Damaged Mortgaged Property. The Mortgagor will take out, as the respective risks are incurred, and maintain the classes and

amounts of insurance in conformance with generally accepted utility industry standards for such classes and amounts of coverages of utilities of the size and character of the Mortgagor.

The foregoing insurance coverage shall be obtained by means of bond and policy forms approved by regulatory authorities, and, with respect to insurance upon any part of the Mortgaged Property, shall provide (unless waived by the Mortgagee) that the insurance shall be payable to the Mortgagee as its interest may appear by means of the standard mortgagee clause without contribution. Each policy or other contract for such insurance shall contain an agreement by the insurer that, notwithstanding any right of cancellation reserved to such insurer, such policy or contract shall continue in force for at least thirty (30) days after written notice to the Mortgagee of cancellation.

In the event of damage to or the destruction or loss of any portion of the Mortgaged Property, unless the Mortgagee shall otherwise agree, the Mortgagor shall promptly replace or restore such damaged, destroyed or lost portion so that the Mortgaged Property shall be in substantially the same condition as it was in prior to such damage, destruction or loss, and shall apply the proceeds of the insurance for that purpose.

Sums recovered under any policy or fidelity bond by the Mortgagor for a loss of funds advanced under the Notes or recovered by the Mortgagee for any loss under such policy or bond shall, unless otherwise directed by the Mortgagee, be applied to the prepayment of the Notes pro rata according to the unpaid principal amounts thereof (such prepayments to be applied to such notes and installments thereof as may be designated by the Mortgagee at the time of any such prepayment), or be used to construct or acquire facilities which will become part of the Mortgaged Property. At the request of the Mortgagee, the Mortgagor shall exercise such rights and remedies which it may have under such policy or fidelity bond and which may be designated by the Mortgagee, and the Mortgagor hereby irrevocably appoints the Mortgagee as its agent to exercise such rights and remedies under such policy or bond as the Mortgagee may choose, and the Mortgagor shall pay all costs and expenses incurred by the Mortgagee in connection with such exercise.

Section 4.07. Mortgagee's Right to Expend Money to Protect Mortgaged Property. The Mortgagor agrees that the Mortgagee from time to time hereunder may in its sole discretion, but shall not be obligated to, after having given five (5) Business Days prior written notice to the Mortgagor, advance funds on behalf of the Mortgagor, in order to insure the Mortgagor's compliance with any covenant, warranty, representation or agreement of the Mortgagor made in or pursuant to this Mortgage or any Loan Agreement, to preserve or protect any right or interest of the Mortgagee in the Mortgaged Property or under or pursuant to this Mortgage or any Loan Agreement, including without limitation, the payment of any insurance premiums or taxes and the satisfaction or discharge of any judgment or any Lien upon the Mortgaged Property or other property or assets of the Mortgagor; provided, however, that the making of any such advance by the Mortgagee shall not constitute a waiver by the Mortgagee of any Event of Default with respect to which such advance is made nor relieve the Mortgagor of any such Event of Default.

Notwithstanding the foregoing, if, in the sole discretion of the Mortgagee, a situation arises which requires immediate action by the Mortgagee to preserve and protect any of the Mortgaged Property given to secure the Secured Obligations, the Mortgagee shall be free to take such action as it reasonably deems appropriate to preserve and protect such

Mortgaged Property without delivery of prior written notice to the Mortgagor, or if such notice has been delivered, without waiting for the expiration of the aforementioned grace period. The Mortgagor shall pay to the Mortgagee upon demand all such advances made by the Mortgagee with interest thereon at a rate equal to the Mortgagee's rate at such time for short-term loans but in no event shall such rate be in excess of the maximum rate permitted by applicable law. All such advances shall be included in the Secured Obligations and secured by this Mortgage.

Section 4.08. Further Assurances. Upon the written request of the Mortgagee, the Mortgagor shall promptly make, execute, acknowledge and deliver, or cause to be made, executed, acknowledged and delivered to the Mortgagee, all such further and supplemental indentures of mortgage, deeds of trust, mortgages, financing statements and amendments thereto (including continuation statements), security agreements, pledge agreements, stock powers or other such instruments of transfer or assignment duly executed in blank, stock certificates or other securities representing any of the Mortgaged Property, instruments (including any promissory notes held or acquired by the Mortgagor, duly endorsed and assigned to the Mortgagee) and conveyances as may reasonably be requested by the Mortgagee, and take or cause to be taken all such further action as may reasonably be requested by the Mortgagee to insure the attachment, perfection and first priority of, and the ability of the Mortgagee to enforce, the Mortgagee's Lien on and security interest in any or all of the Mortgaged Property. The Mortgagor will cause this Mortgage and any and all supplemental indentures of mortgage, mortgages and deeds of trust and every security agreement, financing statement, amendment thereto (including continuation statements) and every additional instrument which shall be executed pursuant to the foregoing provisions forthwith upon execution to be recorded and filed and re-recorded and re-filed as conveyances and mortgages and deeds of trust of and security interests in real and personal property in such manner and in such places as may be required by law or reasonably requested by the Mortgagee in order to insure the attachment, perfection and first priority of, and the ability of the Mortgagee to enforce, the Mortgagee's lien on and security interest in any or all of the Mortgaged Property.

Section 4.09. Application of Proceeds from Condemnation. In the event that the Mortgaged Property or any part thereof shall be taken or sold under the power of eminent domain or like power, all proceeds and avails therefrom may be used to finance construction of facilities secured or to be secured by this Mortgage. Any proceeds not so used shall forthwith be applied by the Mortgagor: first, to the ratable payment of any indebtedness secured by this Mortgage other than principal of or interest on the Notes; second, to the ratable payment of interest which shall have accrued on the Notes and be unpaid; third, to the ratable payment of or on account of the unpaid principal of the Notes, to such installments thereof as may be designated by the Mortgagee at the time of any such payment; and fourth, the balance shall be paid to Mortgagor or whoever shall be entitled thereto.

Section 4.10. Rights of Way, etc. The Mortgagor will use its best efforts to obtain all such rights of way, easements from landowners and releases from lienholders as shall be necessary or advisable in the conduct of its business, and, if requested by the Mortgagee, deliver to the Mortgagee evidence satisfactory to it that the Mortgagor has obtained such rights of way, easements or releases.

Section 4.11. Mortgagor's Legal Status. (a) The Mortgagor represents, warrants, covenants and agrees that: (i) the Mortgagor's name on its most recently filed

Public Organic Record (as defined in the Uniform Commercial Code of the Mortgagor's jurisdiction of organization) is that indicated on the signature page hereof, (ii) the Mortgagor is an organization of the type and organized in the jurisdiction set forth on the first page hereof and (iii) Section 7.04 hereof accurately sets forth the Mortgagor's place of business or, if more than one, its chief executive office as well as the Mortgagor's mailing address if different.

(b) (i) The Mortgagor will not change its name, its place of business or, if more than one, chief executive office, or its mailing address, without providing prior written notice to the Mortgagee at least thirty (30) days prior to the effective date of any change, and (ii) the Mortgagor will not change its type of organization, jurisdiction of organization or other legal structure without the prior written consent of the Mortgagee.

Section 4.12. Authorization to File Financing Statements. The Mortgagor hereby irrevocably authorizes the Mortgagee at any time and from time to time to file in any Uniform Commercial Code jurisdiction any UCC-1 financing statements and amendments thereto that (a) indicate the Mortgaged Property (i) as all assets of the Mortgagor or words of similar effect, regardless of whether any particular asset comprised in the Mortgaged Property falls within the scope of Article 9 of the applicable Uniform Commercial Code, or (ii) as being of an equal or lesser scope or with greater detail, (b) indicate the Mortgagee as a secured party, and (c) contain any other information required by part 5 of Article 9 of the applicable Uniform Commercial Code for the sufficiency or filing office acceptance of any financing statement or amendment, including (i) whether the Mortgagor is an organization and the type of organization and (ii) in the case of a financing statement filed as a fixture filing, a sufficient description of real property to which the Mortgaged Property relates. The Mortgagor agrees to furnish any such information to the Mortgagee promptly upon request. The Mortgagor also ratifies its authorization for the Mortgagee to have filed in any Uniform Commercial Code jurisdiction any like initial financing statements or amendments thereto if filed prior to the date hereof.

Section 4.13. Other Actions Concerning Mortgaged Property. The Mortgagor will take any other action reasonably requested by the Mortgagee to insure the attachment, perfection and first priority of, and the ability of the Mortgagee to enforce, the Mortgagee's Lien on and security interest in any and all of the Mortgaged Property including, without limitation (a) complying with any provision of any statute, regulation or treaty of the United States as to any Mortgaged Property if compliance with such provision is a condition to attachment, perfection or priority of, or ability of the Mortgagee to enforce, the Mortgagee's security interest in such Mortgaged Property, (b) obtaining governmental and other third party consents and approvals, including without limitation any consent of any licensor, lessor or other person obligated on Mortgaged Property, (c) obtaining waivers from mortgagees and landlords in form and substance satisfactory to the Mortgagee and (d) taking all actions required by any earlier versions of the Uniform Commercial Code or by other law, as applicable in any relevant Uniform Commercial Code jurisdiction, or by other law as applicable in any foreign jurisdiction.

Section 4.14. Notice of Default. The Mortgagor will give immediate written notice to the Mortgagee of the occurrence of an Event of Default.

Section 4.15. Opinion of Counsel. The Mortgagor will furnish to the Mortgagee promptly after the execution and delivery of this Mortgage and of each other instrument of further assurance, an opinion of counsel stating that, in the opinion of such counsel, this

Mortgage and all such instruments of further assurance have been properly recorded, registered, and filed to the extent necessary to make effective the Lien intended to be created by this Mortgage, and reciting the details of such action or referring to prior opinions of counsel in which such details are given, and stating that all financing statements and continuation statements have been filed that are necessary fully to preserve and protect the rights of all of the Mortgagees hereunder, or stating that, in the opinion of such counsel, no such action is necessary to make the Lien effective.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES

Section 5.01. Events of Default: Each of the following shall be an "Event of Default":

(a) Payment. Failure of Mortgagor to make any payment of any installment of or on account of interest on or principal of (or premium, if any associated with) any Note or Notes for more than five (5) Business Days after the same shall be required to be made, whether by acceleration or otherwise;

(b) Other Covenants. Failure of Mortgagor to observe or perform any covenant, condition or agreement in this Mortgage and such default shall continue for a period of thirty (30) days after written notice specifying such default shall have been given to the Mortgagor by the Mortgagee;

(c) Bankruptcy. The Mortgagor shall file a petition in bankruptcy or be adjudicated a bankrupt or insolvent, or shall make an assignment for the benefit of its creditors, or shall consent to the appointment of a receiver of itself or of its property, or shall institute proceedings for its reorganization, or proceedings instituted by others for its reorganization shall not be dismissed within sixty (60) days after the institution thereof;

(d) Dissolution or Liquidation. Other than as provided in subsection (c) above, the dissolution or liquidation of the Mortgagor, or failure by the Mortgagor promptly to forestall or remove any execution, garnishment or attachment of such consequence as will impair its ability to continue its business or fulfill its obligations and such execution, garnishment or attachment shall not be vacated within sixty (60) days;

(e) Corporate Existence. The Mortgagor shall forfeit or otherwise be deprived of its corporate charter or franchises, permits, rights of way, easements, or licenses required to carry on any material portion of its business;

(f) Final Judgment. The Mortgagor shall suffer any money judgment not covered by insurance, writ or warrant of attachment or similar process involving an amount in excess of \$100,000 and shall not discharge, vacate, bond or stay the same within a period of sixty (60) days;

(g) Representations and Warranties. Any representation or warranty made by the Mortgagor herein or in any certificate or financial statement delivered hereunder shall prove to be false or misleading in any material respect; or

(h) Other Obligations.

(i) An "Event of Default" (as defined in any Loan Agreement) under any Loan Agreement shall occur and be continuing after the giving of any notice and the expiration of any grace period as may be applicable;

(ii) Any event that permits the Mortgagee to exercise remedies under any Loan Agreement, shall occur and be continuing after the giving of any notice and the expiration of any grace period as may be applicable; or

(iii) Default by the Mortgagor in the payment of any obligation, whether direct or contingent, for borrowed money, other than under any Loan Agreement or Note, as and when such payment is due and payable, or in the performance or observance of the terms of any instrument pursuant to which such obligation was created or securing such obligation, after the giving of any notice and the expiration of any grace period as may be applicable.

Section 5.02. Remedies. If one or more of the Events of Default shall occur and be continuing, the Mortgagee personally or by attorney, in its discretion, may, to the fullest extent permitted by law:

(a) Acceleration; Rescission and Annulment. Declare the principal of, and any other amounts due on account of, the Notes secured hereunder to be due and payable immediately by a notice in writing to the Mortgagor and upon such declaration, all unpaid principal (premium, if any) and accrued interest so declared shall become due and payable immediately, anything contained herein or in any Note or Notes to the contrary notwithstanding.

If at any time after the unpaid principal of (premium, if any) and accrued interest on any of the Notes shall have been so declared to be due and payable, all payments in respect of principal and interest which shall have become due and payable by the terms of such Note or Notes (other than amounts due as a result of the acceleration of the Notes) shall be paid to the Mortgagee, and all other defaults hereunder and under the Notes shall have been cured or waived to the satisfaction of the Mortgagee, then and in every such case, the Mortgagee may, by written notice to the Mortgagor, annul such declaration and waive such default and the consequences thereof, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon;

(b) Possession; Collection. Take immediate possession of the Mortgaged Property, collect and receive all credits, outstanding accounts and bills receivable of the Mortgagor and all rents, income, revenues and profits pertaining to or arising from the Mortgaged Property, or any part thereof, whether then past due or accruing thereafter, and issue binding receipts therefor; and manage, control and operate the Mortgaged Property as fully as the Mortgagor might do if in possession thereof, including, without limitation, the making of all repairs or replacements deemed necessary or advisable;

(c) Enforcement; Receiver. Proceed to protect and enforce the rights of the Mortgagee by suits or actions in equity or at law in any court or courts of

competent jurisdiction, whether for specific performance of any covenant or any agreement contained herein or in aid of the execution of any power herein granted or for the foreclosure hereof or hereunder or for the sale of the Mortgaged Property, or any part thereof, or to collect the debt hereby secured or for the enforcement of such other or additional appropriate legal or equitable remedies as may be deemed necessary or advisable to protect and enforce the rights and remedies herein granted or conferred, and in the event of the institution of any such action or suit, the Mortgagee shall have the right to have appointed a receiver of the Mortgaged Property and of all rents, income, revenues and profits pertaining thereto or arising therefrom, whether then past due or accruing after the appointment of such receiver, derived, received or had from the time of the commencement of such suit or action, and such receiver shall have all the usual powers and duties of receivers in like and similar cases, to the fullest extent permitted by law, and if application shall be made for the appointment of a receiver the Mortgagor hereby expressly consents that the court to which such application shall be made may make said appointment;

(d) Auction. Sell or cause to be sold all and singular the Mortgaged Property or any part thereof, and all right, title, interest, claim and demand of the Mortgagor therein or thereto, at public auction at such place in any county in which the property to be sold, or any part thereof, is located, at such time and upon such terms as may be specified in a notice of sale, which notice shall comply with all applicable law. Subject to all applicable provisions of law, any sale to be made under this subparagraph (d) of this Section 5.02 may be adjourned from time to time by announcement at the time and place appointed for such sale, and without further notice or publication the sale may be had at the time and place to which the same shall be adjourned; and

(e) Other Rights and Remedies. Exercise such other rights and remedies as may be provided for herein, in any agreement related hereto or under law.

No delay in exercising any right or remedy hereunder, or otherwise afforded by law, shall operate as a waiver thereof.

Section 5.03. Application of Proceeds from Remedial Actions. Any proceeds or funds arising from the exercise of any rights or the enforcement of any remedies herein provided after the payment or provision for the payment of any and all costs and expenses in connection with the exercise of such rights or the enforcement of such remedies shall be applied to the Secured Obligations as follows: first, to the ratable payment of indebtedness hereby secured other than the principal of or interest on the Notes; second, to the ratable payment of interest which shall have accrued on the Notes and which shall be unpaid; third, to the ratable payment of or on account of the unpaid principal of the Notes; and the balance, if any, shall be paid to the Mortgagor or whosoever shall be lawfully entitled thereto.

Section 5.04. Remedies Cumulative; No Election. Every right or remedy herein conferred upon or reserved to the Mortgagee shall be cumulative and shall be in addition to every other right and remedy given hereunder or under any Loan Agreement or now or hereafter existing at law, or in equity, or by statute. The pursuit of any right or remedy shall not be construed as an election.

Section 5.05. Waiver of Appraisal Rights. The Mortgagor, for itself and all who may claim through or under it, covenants that it will not at any time insist upon or plead, or in any manner whatever claim, or take the benefit or advantage of, any appraisal, valuation, stay, extension or redemption laws now or hereafter in force in any locality where any of the Mortgaged Property may be situated, and the Mortgagor, for itself and all who may claim through or under it, hereby waives the benefit of all such laws unless such waiver shall be forbidden by law.

ARTICLE VI

POSSESSION UNTIL DEFAULT-DEFEASANCE CLAUSE

Section 6.01. Possession Until Default. Until one or more of the Events of Default shall have happened, the Mortgagor shall be suffered and permitted to retain actual possession of the Mortgaged Property, and to manage, operate and use the same and any part thereof, with the rights and franchises appertaining thereto, and to collect, receive, take, use and enjoy the rents, revenues, issues, earnings, income, products and profits thereof or therefrom, subject to the provisions of this Mortgage.

Section 6.02. Discharge. If the Mortgagor shall pay or cause to be paid the whole amount of the principal of (premium, if any) and interest on the Notes at the times and in the manner therein provided, and shall also pay or cause to be paid all other sums payable by the Mortgagor hereunder and under the Loan Agreement and shall keep and perform, all covenants herein required to be kept and performed by it, then and in that case, provided the Mortgagee has no commitment to extend additional credit to the Mortgagor that is required to be secured hereunder, all property, rights and interest hereby conveyed or assigned or pledged shall revert to the Mortgagor and the estate, right, title and interest of the Mortgagee shall thereupon cease, determine and become void and the Mortgagee, in such case, on written demand of the Mortgagor but at the Mortgagor's cost and expense, shall enter satisfaction of the Mortgage upon the record. In any event, the Mortgagee, upon payment in full by the Mortgagor of all principal of (premium, if any) and interest on the Notes, the termination of all commitments of the Mortgagee to make further extensions of credit to the Mortgagor under the applicable Loan Agreement, and the payment and discharge by the Mortgagor of all charges due hereunder or under the Loan Agreements, shall execute and deliver to the Mortgagor such instrument of satisfaction, discharge or release as shall be required by law in the circumstances.

ARTICLE VII

MISCELLANEOUS

Section 7.01. Property Deemed Real Property. It is hereby declared to be the intention of the Mortgagor that any electric generating plant or plants and facilities and all electric transmission and distribution lines or other electric or non-electric systems and facilities embraced in the Mortgaged Property, including, without limitation, all rights of way and easements granted or given to the Mortgagor or obtained by it to use real property in connection with the construction, operation or maintenance of such plant, lines, facilities or systems, and all other property physically attached to any of the foregoing, shall be deemed to be real property.

Section 7.02. Mortgage to Bind and Benefit Successors and Assigns. All of the covenants, stipulations, promises, undertakings and agreements herein contained by or on behalf of the Mortgagor shall bind its successors and assigns, whether so specified or not, and all titles, rights and remedies hereby granted to or conferred upon the Mortgagee shall pass to and inure to the benefit of the successors and assigns of the Mortgagee. The Mortgagor hereby agrees to execute such consents, acknowledgments and other instruments as may be reasonably requested by the Mortgagee in connection with the assignment, transfer, mortgage, hypothecation or pledge of the rights or interests of the Mortgagee hereunder or under the Notes or in and to any of the Mortgaged Property.

Section 7.03. Headings. The descriptive headings of the various articles of this Mortgage were formulated and inserted for convenience only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

Section 7.04. Notices. All notices, requests and other communications provided for herein including, without limitation, any modifications of, or waivers, requests or consents under, this Mortgage shall be given or made in writing (including, without limitation, by facsimile) and delivered to the intended recipient at the "Address for Notices" specified below, or, as to any party, at such other address as shall be designated by such party in a notice to each other party. All such communications shall be deemed to have been duly given (i) when personally delivered including, without limitation, by overnight mail or courier service, (ii) in the case of notice by United States mail, certified or registered, postage prepaid, return receipt requested, upon receipt thereof, or (iii) in the case of notice by facsimile, upon transmission thereof, provided such transmission is promptly confirmed by either of the methods set forth in clauses (i) or (ii) above in each case given or addressed as provided for herein. The Addresses for Notices of the respective parties are as follows:

As to the Mortgagor:

If by personal delivery (including overnight mail or courier service):

Overton Power District No. 5
615 North Moapa Valley Blvd
Overton, NV 89040-0395
Attention: General Manager
Fax: (702) 397-2583

If by United States mail:

Overton Power District No. 5
P.O. Box 395
Overton, NV 89040-0395
Attention: General Manager
Fax: (702) 397-2583

As to the Mortgagee:

National Rural Utilities Cooperative Finance Corporation
20701 Cooperative Way

Dulles, Virginia 20166
Attention: General Counsel
Fax # 866-230-5635

Section 7.05. Severability. The invalidity of any one or more phrases, clauses, sentences, paragraphs or provisions of this Mortgage shall not affect the remaining portions hereof.

Section 7.06 Mortgage Deemed Security Agreement. To the extent that any of the property described or referred to in this Mortgage is governed by the provisions of the Uniform Commercial Code, this Mortgage is hereby deemed a "security agreement", a "financing statement" and a "fixture filing" under the Uniform Commercial Code. The Mortgagor herein is the "debtor" and the Mortgagee herein is the "secured party." The mailing addresses of the Mortgagor as debtor and of the Mortgagee as secured party are as set forth in Section 7.04 hereof. The Mortgagor is an organization of the type and organized in the jurisdiction set forth on the first page hereof.

Section 7.07. Indemnification by Mortgagor of Mortgagee. The Mortgagor agrees to indemnify, defend and save harmless the Mortgagee against any liability or damages which the Mortgagee may incur or sustain in the exercise and performance of its rightful powers and duties hereunder, excepting any such matters arising solely from the gross negligence or willful misconduct of the Mortgagee. The obligation of Mortgagor to reimburse and indemnify the Mortgagee hereunder shall be secured by this Mortgage in the same manner as the Notes and all such reimbursements for expense or damage shall be paid to the Mortgagee with interest at the rate specified in Section 4.08 hereof. The obligations imposed upon the Mortgagor by this section shall survive the repayment of the Notes and the termination or release of the lien of this Mortgage.

Section 7.08. Counterparts. This Mortgage may be simultaneously executed in any number of counterparts, and all said counterparts executed and delivered, each as an original, shall constitute but one and the same instrument.

Section 7.09. Costs and Expenses: Mortgagor agrees to pay and be liable for any and all expenses, including, but not limited to reasonable attorneys' fees, court costs, receiver's fees, costs of advertisement and agent's compensation, incurred by Mortgagee in exercising or enforcing any of its rights hereunder. Such sums shall be secured hereby and shall be payable forthwith, with interest thereon at the rate specified in Section 4.07 hereof.

Section 7.10. Governing Law. This Mortgage shall be governed by, and construed according to, the laws of the State of Nevada, except to the extent governed by federal law or the Uniform Commercial Code of the state of the Mortgagor's location, *provided, however*, that the creation, perfection, validity and enforcement of liens against real property located in a state other than the State of Nevada, including the exercise of the power of sale, shall be governed by and construed in accordance with the laws of such other state.

IN WITNESS WHEREOF, OVERTON POWER DISTRICT NO. 5, the Mortgagor, has caused this Restated Mortgage and Security Agreement to be signed in its name and its corporate seal to be hereunto affixed and attested by its officers thereunto duly authorized, and NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION, as Mortgagee, has caused this Mortgage to be signed in its name and its corporate seal to be hereunto affixed and attested by its officers thereunto duly authorized, all as of the day and year first above written.

[EXECUTED ON THE FOLLOWING PAGES]

OVERTON POWER DISTRICT NO. 5

(SEAL)

By: _____

Title: _____

Attest: _____

Title: _____

Executed by the Mortgagor
in the presence of:

Witnesses

STATE OF NEVADA)
) SS
COUNTY OF _____)

On this _____ day of _____, before me appeared _____ and _____ personally known by me and, having been duly sworn by me, did say that they are the _____ and _____, respectively, of OVERTON POWER DISTRICT NO. 5, a Nevada general improvement district, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and the said _____ and _____ acknowledged that the execution of said instrument was a free act and deed of said corporation.

IN WITNESS whereof, I have hereunto set my hand and official seal the day and year last above written.

(Notarial Seal)

Notary Public

My commission expires:

Appendix A - Instruments Recital

The Maximum Debt Limit referred to in Section 1.01 is \$200,000,000.00

The instruments referred to in the preceding recitals are as follows:

1. "Original Mortgage":

Mortgage Type	Mortgage Date
Mortgage and Security Agreement	December 23, 2003

2. "Current Loan Agreement" is that loan agreement dated as of even date herewith.

3. "Current Notes":

Loan Designation	Loan Amount	Note Date	Maturity Date
NV004-V-9004	\$36,000,000.00	As of even date herewith	Forty (40) years from the date hereof

4. "Outstanding Loan Agreement" are those loan agreements dated as of:

December 23, 2003, as amended on May 21, 2008
 July 24, 2015
 June 16, 2021

5. "Outstanding Notes"

Loan Designation	Loan Amount	Note Date	Maturity Date
NV004-A-9000	\$59,000,000.00	December 23, 2003 as substituted on May 21, 2008	September 30, 2008
NV004-A-9002	\$18,000,000.00	July 24, 2015	January 24, 2039
NV004-V-9003	\$35,000,000.00	June 16, 2021	June 16, 2061

Appendix B

- (a) The Mortgaged Property is located in the County of Clark in the State of Nevada.
- (b) The property referred to in the Granting Clause includes the following:

SEE ATTACHED

Real Property Description:

Situate in the State of Nevada, County of Clark, described as follows:

CLARK COUNTY PARCEL #1

That portion of Section 10, Township 13, South, Range 71 East, M.D.B. & M., according to the Official Plat of said land on File in the Office of the Bureau of Land Management, Clark County, Nevada and being more particularly described as follows:

Parcel Three (3) as shown by map thereof on File in File 60, of Parcel Maps, Page 41, in the Office Of the County Recorder of Clark County, Nevada.

ASSESSOR'S PARCEL NUMBER #001-08-601-004

CLARK COUNTY PARCEL #2

Commencing at a point in the East line of the Northeast Quarter (NE $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of said section 17, distant thereone 18 rods, 14 feet South from the North East Corner thereof; Thence continuing South along the East line of the said Northeast Quarter (NE $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) a distance of 200.00 Feet to a point: Thence West and parallel with the North line of the Northeast Quarter (NE $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of said section 17, a distance of 215.00 feet: Thence North and parallel with the East line of the Northeast Quarter (NE $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of said section 17 a distance of 200.00 feet to a point: In the Northerly boundary line of that parcel of land conveyed to Harley H. Leavitt Et Ux in deed recorded December 20, 1951 as document No. 378800 of deed records, Clark County, Nevada: Thence East along said Northerly line and Easterly prolongation thereof 215.00 feet to the true point of beginning.

ASSESSOR'S PARCEL NUMBER 001-17-701-023

CLARK COUNTY PARCEL #3

Commencing at the Southwest corner of Tract 45, Township 13 South, Range 70 East, M.D.M., being an iron pipe with brass cap: thence South 89°56' East along the Southern boundary of Tract 45 a distance of 255 feet to the TRUE POINT OF BEGINNING; thence South 89°56' East along the Southern boundary of Tract 45 a distance of 400 feet; thence North 0°1' west distance of 550 feet; thence North 89°56' west a distance of 400 feet; thence South 0°1' East a distance of 550 feet to the TRUE POINT OF BEGINNING. EXCEPTING THEREFROM any portion of said land lying within the State Highway.

ASSESSOR'S PARCEL NUMBER: 002-35-501-016

CLARK COUNTY PARCEL #4

Being a portion of the Northwest Quarter (NW ¼) of Section 2, Township 15 South, Range 66 East, M.D.B. & M., Clark County, Nevada, described as follows, to wit:

COMMENCING at the Northeast corner of the Northwest Quarter (NW ¼) of said Section 2; thence South 89° 40' 07" West along the North line thereof a distance of 865.05 feet to a point being North 89° 40' 07" East a distance of 1822.48 feet from the Northwest corner of said Section 2; thence South 00° 19' 53" East a distance of 441.77 feet to a point; thence Southwesterly along a tangent curve to the right, having a radius of 530.00 feet, subtending a central angle of 35° 02' 15", an arc distance of 324.11 feet to the TRUE POINT OF BEGINNING; thence South 34° 42' 22" West a distance of 165.00 feet to a point on a tangent curve concave Easterly, having a radius of 25.00 feet, subtending a central angle of 90° 00' 00", an arc length of 39.27 feet to a point on the Northerly line of NEVADA STATE ROUTE NO. 7 (100 feet wide); thence South 55° 17' 38" East along the Northerly line thereof a distance of 274.66 feet to a point; thence North 34° 42' 22" East a distance of 190.00 feet to a point; thence North 55° 17' 38" West a distance of 299.66 feet to the TRUE POINT OF BEGINNING.

ASSESSOR'S PARCEL NUMBER: 042-02-101-013

CLARK COUNTY PARCEL #5

Parcel 2 and a portion of parcel 3, as delineated on that certain parcel map on file in file 32, page 25 of parcel maps in the Clark County Recorder's Office, Clark County, Nevada, lying within the Southeast quarter (SE ¼) of the Southeast Quarter (SE ¼) of Section 11, Township 16 South, Range 67 East, M.D.M., Clark County, Nevada, and described as follows:

Beginning at the Southwest corner of said parcel 3, said point being the Northwest corner of parcel 1, as delineated on that certain parcel map on file in file 53, page 51 of parcel maps in the Clark County Recorder's office; Thence South 00° 05' 50" West along the West line of said Parcel 1 and its Southerly prolongation, 480.29 feet to a point on the North right-of-way line of Ryan Avenue (30.00 feet wide); Thence north 89° 52' 29" West along said right-of-way line, 179.03 feet to a point on the Northeasterly Right-of-Way line of the Union Pacific Railroad-St. Thomas Branch (100.00 feet wide); thence North 34° 39' 54" West along said Northeasterly right-of-way line, 958.84 feet to the most Southerly corner of parcel 1, as delineated on said parcel map (file 32, page 25); thence along the boundary of said parcel 1, the following two (2) courses; North 25° 08' 05" East 189.65 Feet; Thence North 00° 05' 11" East, 349.38 feet to a point on the South right-of way line of Bryner Avenue (width varies); thence South 89° 43' 48" East along said South right-of-way line, 989.82 feet; Thence South 44° 48' 59" East, 141.63 feet to a point on the West right-of-way line of Moapa Valley Boulevard (width varies); Thence South 00° 05' 50" West along said West right-of-way line,

415.60 feet; Thence North 89°56'26" West, 444.28 feet to a point on the East boundary line on the aforementioned parcel 2 (file 32, page 25)

ASSESSOR'S PARCEL NUMBER: 070-11-801-012

CLARK COUNTY PARCEL #6

BEGINNING at the Northwest Corner of Section 13, Township 16 South, Range 67 East; thence North 87°12' East a distance of 1024 feet to a point; thence South 0°11'45" West a distance of 428 feet to the TRUE POINT OF BEGINNING; thence continuing South 0°11'45" West a distance of 100 feet to a point in the North Line of the land conveyed to D.V. Harris by Deed recorded March 3, 1961, as Document No. 231122 of Official Records; thence along the North line of said land North 87°12' East a distance of 351.75 feet to a point; thence North 0°11'45" East a distance of 100 feet to a point; thence South 87°12' West a distance of 351.75 feet to the TRUE POINT OF BEGINNING.

ASSESSOR'S PARCEL NUMBER: 070-13-101-023

CLARK COUNTY PARCEL #7

That portion of Section 5, Township 13 South, Range 71 East, M.D.M., described as follows:

Parcel Three (3) of that certain Amended Parcel Map in file 109, Page 63 in the Office of the County Recorder of Clark County, Nevada, and recorded by May 6, 2005 in Book 20050506 and Document No. 01645, Official Records.

ASSESSOR'S PARCEL NUMBER: 001-05-701-009

CLARK COUNTY PARCEL #8

A Parcel of land situated within tract 44, Section 18, Township 13 South, Range 71 East, M.D.M., City Of Mesquite, Clark County, Nevada, being more particularly described as follows:

Parcel Two (2) as shown by map thereof in file 95, Page 42 of Parcel Maps, as recorded in the official records of the Clark County Recorder, Nevada.

ASSESSOR'S PARCEL NUMBER: 001-18-701-007

CLARK COUNTY PARCEL #9

Lot 4 of Parcel map as shown by Map thereof on file in Book 116 of Plats, Page 87 in the Office of County Recorder of Clark County, Nevada.

Commonly known as 1575 Hardy Way, Mesquite, Nevada 89027.

ASSESSOR'S PARCEL NUMBER: 002-12-201-003

CLARK COUNTY PARCEL #10

Located in the Northeast Quarter of Section 12, Township 13 South, Range 70 East, Mount Diablo Base and Meridian, City of Mesquite, Clark County, Nevada, being more particularly described as:

All of Parcel 2 as recorded on the Parcel Map for the City of Mesquite in File 115, Page 13 of Plats in the official records of Clark County, State of Nevada.

Contains 3.16 acres

ASSESSOR'S PARCEL NUMBER: 002-12-601-006

CLARK COUNTY PARCEL #11

Located in the Northwest Quarter of Section 13, Township 13 South, Range 70 East, Mount Diablo Base and Meridian, City of Mesquite, Clark County, Nevada, being more particularly described as:

All of Lot 1 as recorded on the Amended Final Map of Technology and Commerce Center, Commercial Subdivision, Phase 1 in Book 124, Page 38 of Plats in the official records of Clark County, State of Nevada.

Contains 2.49 acres

ASSESSOR'S PARCEL NUMBER: 002-13-212-001

CLARK COUNTY PARCEL #12

Located within Lot 304 of the Final Map, Merger and Resubdivision, Mesquite Technology and Commerce Center, Phase III, A Commercial Subdivision, in Book 148, Page 52 of Plats, being in the West half of Section 23, Township 13 South, Range 70 East, Mount Diablo Base and Meridian, City of Mesquite, Clark County, Nevada, and being more particularly described as:

Beginning at the point on the Westerly line of Lower Flat Top Drive (A 120.00 Foot dedicated Right-Of-Way), that is N89° 07'45" E 1199.52 Feet along the Quarter Section Line and S00° 52'15"E 318.58 from the West Quarter corner of Section 23, Township 13 South, Range 70 East, Mount Diablo Base and Meridian as Recorded on the Final Map, Merger and Resubdivision, Technology and Commerce Center, Phase III in Book 148, Page 52 of Plats in the Official Records of Clark County, Nevada and Running;

Thence Southeasterly 280.40 Feet along the Arc of 2560.00 Foot Radius curve to the left with a central angle of 06°16'32" and the center bears N71°54'07"E, along said Westerly line of Lower Flat Top Drive;

Thence S65°37'35"W 345.19 Feet; Thence N46°37'34"W 297.56 Feet; Thence N26°10'39"E 78.40 Feet; Thence N71°54'07"E 415.16 Feet to the said Westerly Line of Lower Flat Top Drive to the point of beginning.

Contains 2.86 Acers, more or less (as-described)

ASSESSOR'S PARCEL NUMBER: 002-23-211-003

CLARK COUNTY PARCEL #13

That portion of Lot 3 in the Northwest Quarter (NW ¼) of Section 2, Township 15 South, Range 66 East, M.D.M., Clark County, Nevada, described as Lot 2 as shown on Certificate of Land Division No. 82-79, recorded June 21, 1979 in Book 1074 as Document No. 103301, in the Office of the County of the County Recorder of Clark County, Nevada.

ASSESSOR'S PARCEL NUMBER: 042-02-101-012

TOGETHER WITH all plants, works, structures, erections, reservoirs, dams, buildings, fixtures and improvements now or hereafter located on any of the properties conveyed by any and all of the aforesaid deeds mentioned above, and all tenements, hereditaments and appurtenances now or hereafter thereunto belonging or in anywise appertaining.

The description of each of the properties conveyed by and through the provisions of the aforesaid deeds is by reference made a part hereof as though fully set forth at length herein.

RECORDING OFFICIAL'S CERTIFICATE OF FILING

STATE OF NEVADA)
)
CITY/COUNTY OF)

I, _____, _____
[Name of Recording Official] [Title of Recording Official]

of the City/County of _____, State of Nevada, do hereby

certify that the Restated Mortgage and Security Agreement dated as of _____

by and between OVERTON POWER DISTRICT NO. 5 and NATIONAL RURAL UTILITIES

COOPERATIVE FINANCE CORPORATION was filed for record in my office at Book No. _____,

Page No. _____ (and filed and indexed as Document No. _____) on

_____.

(SEAL)

Signature

Clerk of the Court: Please certify that the above-referenced document was recorded and supply filing information if available at this time.

[LETTERHEAD OF BORROWER'S COUNSEL]

[DATE]

National Rural Utilities Cooperative Finance Corporation
20701 Cooperative Way
Dulles, Virginia 20166
Attention: General Counsel

Re: \$36,000,000.00 Loan to Overton Power District No. 5 (the "Borrower")
CFC Loan Number: NV004-V-9004

Ladies and Gentlemen:

I. Introduction

[I/We] have served as [general/special] counsel for the Borrower, a [State of organization of the Borrower] [insert type of entity, e.g. corporation, cooperative, etc.], in connection with the documentation of the loan(s) described above. In connection with the loan(s), the Borrower has executed and delivered the following documents (collectively, the "Loan Documents"):

- A. The Loan Agreement dated as of _____, made by and between the Borrower and National Rural Utilities Cooperative Finance Corporation ("CFC") ("Loan Agreement").
- B. The secured promissory note dated as of _____, in the principal amount of \$36,000,000.00, said Note payable to the order of CFC ("Note").
- C. The Restated Mortgage and Security Agreement dated as of _____ by and between Borrower and CFC, as it may have been supplemented, amended, consolidated or restated from time to time ("Mortgage").

II. Scope of Opinion/Examination of Documents

[I am/We are] delivering this opinion to you pursuant to requirements set forth in the Loan Documents.

For purposes of this opinion, [I/we] have examined the following:

- A. Originals or copies identified to our satisfaction of each of the Loan Documents as executed and delivered;

- B. The Articles of Incorporation and Bylaws of the Borrower, in each case as amended and in effect at the time of the authorization of, and the execution and delivery by the Borrower of, the Loan Documents;
- C. Certified resolutions of the Board of **[Directors/Trustees]** of the Borrower evidencing the corporate proceedings taken to authorize the execution and delivery of, and the performance by the Borrower of its obligations under, the Loan Documents;
- D. Written information provided by governmental authorities of the State[s] of **[Include state of Borrower's organization and all other states where the Borrower is authorized to transact business]** as to the incorporation and existence of the Borrower in the State of **[State of organization]** **[and the qualification and authorization to transact business of the Borrower in the State[s] of [List states]]**;
- E. A certificate of the Borrower, dated as of even date herewith and a copy of which is available upon request (the "Loans & Other Material Agreements Certificate"), certifying that the documents identified in the Loans & Other Material Agreements Certificate are: (i) all of the loan agreements and related instruments and security documents to which the Borrower is a party (and all amendments thereto); and (ii) all other agreements (and all amendments thereto) under which a default by the Borrower could have a material adverse effect on the business, operations or financial condition of the Borrower or the Borrower's ability to perform its obligations under the Loan Documents;
- F. Originals, or copies identified to **[my/our]** satisfaction, of the agreements and instruments identified in the Loans & Other Material Agreements Certificate;
- G. A certificate of the Borrower, dated as of even date herewith and a copy of which is attached hereto (the "Litigation Certificate"), certifying that there is no litigation, arbitration or other legal proceeding, pending or threatened, verbally or in writing, against or affecting the Borrower or its property that, (i) if adversely determined, in the opinion of the Borrower, would have a material adverse effect upon the business, operations or financial condition of the Borrower, or the Borrower's ability to perform its obligations under the Loan Documents or (ii) seeks to rescind, terminate, modify or suspend any authorization of any governmental entity required in connection with the execution and delivery of the Borrower of, and the performance of the Borrower of its obligations under, the Loan Documents **[, other than [that/those] which [is/are] identified in the Litigation Certificate, a copy of which has previously been provided to you]**;
- H. The UCC Financing Statements, naming the Borrower as Debtor and **[Name of Lender(s)]** as Secured **[Party(ies)]**, filed in **[insert name of filing office(s)]**, (the "Filing Office(s)") and listed on Exhibit A hereto (the "Financing Statements");
- I. The results of searches for tax and judgment liens against the Borrower and UCC financing statements naming the Borrower as Debtor (the "Lien Search Results"), attached hereto as Exhibit B; and

- J. Such other certificates, documents and papers as [I/we] have deemed advisable in connection with this opinion.

During the course of such examination, [I/we] have assumed that all signatures, other than those of officers of the Borrower, are genuine, that all documents submitted to [me/us] as copies conform to the originals and that all documents submitted to [me/us] as originals are authentic.

As to matters of fact involved in this opinion [I/we] have relied on statements of fact made in the Loan Documents, the Loan & Other Material Agreements Certificate and the Litigation Certificate, and on certificates, affidavits and statements of fact of officials, officers or authorized representatives of the particular governmental authority or other person or entity concerned, including the Borrower, and on discussions with representatives of the Borrower, without any independent investigation or inquiry. **[I am not/ We are not/ None of the individual attorneys in the Firm who has represented the Borrower in connection with the execution and delivery of the Loan Documents or who regularly represents the Borrower is]** aware of any fact that would make any such reliance unreasonable. [I/We] have undertaken such investigation of the law and such consideration of the facts (which we have ascertained as described herein) as [I/we], in [my/our] professional judgment, have determined appropriate for purposes of rendering this opinion.

For purposes of this opinion, [I/we] have further assumed that each party to the Loan Documents, other than the Borrower, has all requisite power and authority to enter into such agreements, has taken all necessary action to execute and deliver such agreements and can effect the transactions contemplated therein without contravening any law or regulation; that each of the Loan Documents constitutes the legal, valid and binding obligation of each of such other parties enforceable against such other parties in accordance with its respective terms; and that each of such other parties will duly perform its obligations under each such agreement.

III. Opinions & Qualifications

Based on the foregoing, [I am/We are] of the opinion, subject to the qualifications set forth in this letter, that:

- A. The Borrower is a **[insert type of entity, e.g. corporation, cooperative, etc.]** duly organized, validly existing, and in good standing under the laws of the State of **[State of organization]**, and is duly qualified to do business and is in good standing in each jurisdiction in which the transaction of its business makes such qualification necessary.
- B. The Borrower has all requisite corporate and legal power and authority to own and operate its assets and to carry on its business as it is now being conducted and to enter into and perform its obligations under the Loan Documents.

- C. All corporate proceedings of the Borrower necessary to be taken in connection with the authorization, execution and delivery by the Borrower of, and the performance by the Borrower of its obligations under, the Loan Documents have been duly taken and all such authorizations are presently in effect.
- D. To the extent reasonably required for the maintenance and operation of its properties and business taken as a whole, the Borrower has complied with all requirements of the laws of all states in which it operates and does business, and, to the extent reasonably required to enable the Borrower to engage in the business currently transacted by it, the Borrower holds all certificates, licenses, consents or approvals of governmental entities required to be obtained on or prior to the date of this opinion.
- E. Each Loan Document has been duly executed and delivered by the Borrower and constitutes the valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its terms.

The opinion set forth in this paragraph is subject to the following qualifications:

- a. The enforceability of the Loan Documents may be limited by (i) bankruptcy, insolvency, reorganization, receivership, fraudulent conveyance and other laws of general applicability relating to or affecting the rights and remedies of creditors and (ii) general principles of equity.
- b. Certain provisions of the Loan Documents may not be enforceable under laws with respect to or affecting the remedies provided for in the Loan Documents; nevertheless, such unenforceability will not render any Loan Document invalid as a whole or preclude (i) the judicial enforcement of the obligation of the Borrower to repay the principal, together with interest thereon, as provided in the Note(s), (ii) the acceleration of the obligation of the Borrower to repay such principal and interest upon a material default by the Borrower under the Loan Documents **[and]** (iii) the judicial foreclosure in accordance with **[State]** law of the lien created by the Mortgage upon the failure to pay such principal and interest at maturity or upon acceleration pursuant to clause (ii) above **[and (iv) non-judicial foreclosure by exercise of the power of sale provided in the Mortgage in accordance with [State] law at maturity or upon acceleration pursuant to clause (ii) above]**.
- F. The Mortgage creates a validly recorded, filed and perfected first priority mortgage lien shared pari passu and pro rata by the lenders that are parties to the Mortgage (individually, a "Mortgagee" and collectively, the "Mortgagees") on all of the Borrower's real property, including without limitation all real property of the Borrower acquired after the date of delivery of the Mortgage, securing Borrower's obligations under the Loan Agreements (as defined in the Mortgage), subject and subordinate only to those liens and encumbrances expressly permitted by the Mortgage. No other recordation, filing, re-recording or re-filing is necessary to maintain the validity or priority of the lien on such real property created by the Mortgage, including without limitation after-acquired

property and obligations evidenced by Additional Notes (as defined in the Mortgage) executed and delivered after the date of the Mortgage. **[If additional actions are required under state law to have the lien of the Mortgage attach to after-acquired real property or to secure future advances evidenced by Additional Notes, then include in this paragraph a statement as to what actions are required and whether the priority of the lien on such after-acquired property or with respect to the Additional Notes will date back to the date of recordation of the Mortgage. For states having mortgage recording or documentary stamp taxes, please include a statement as to what actions are required with respect to Additional Notes.]**

The opinion set forth in this paragraph III. F. is subject to the qualification that no opinion is expressed with respect to (i) the title to or the rights or interests of the Borrower in any real or personal property, or (ii) the adequacy of the description of any real property.

- G. The Mortgage creates in favor of the Mortgagees a valid security interest in the Borrower's interest in the fixtures identified therein located in the State of [State] and in the personal property identified therein in which a security interest may be validly created under Article 9 of the Uniform Commercial Code as in effect in the State of [State] (the "[State] UCC"). Such security interest has been validly perfected in such fixtures and personal property in which a security interest may be perfected by filing a financing statement under Article 9 of the [State] UCC. No filings, recordings or similar actions, other than the filing of the Financing Statements, are necessary under the laws of the State of [State] in order to establish or continue perfection of such security interest **[except for the filing of any continuation statements required under Article 9 of the [State] UCC.]**

The opinion in this paragraph III. G. is subject to the following qualifications: (i) no opinion is expressed with respect to the Borrower's title to or rights or interest in any personal property; and (ii) with respect to the validity and the perfection of the security interests in personal property created under the Mortgage, this opinion does not address personal property of a type in which a security interest cannot be validly created under Article 9 of the [State] UCC, or in which a security interest can be validly created but cannot be perfected under Article 9 of the [State] UCC by filing of a financing statement.

- H. The Lien Search Results as defined above in paragraph I. of Section II. set forth the proper filing office(s) and the proper name of the debtor necessary to identify tax liens and judgment liens against the Borrower and those persons who, as of the effective dates noted in the Lien Search Results, have financing statements on file against the Borrower indicating the existence of a security interest in any personal property or fixtures in which a security interest may be perfected by filing under Article 9 of the [State] UCC.
- I. The execution and delivery by the Borrower of, and the performance by the Borrower of its obligations under, the Loan Documents do not and will not: (a) violate the Borrower's Articles of Incorporation or Bylaws; (b) violate any applicable law, rule or regulation to which the Borrower is subject; (c) conflict with, result in a breach of, or constitute with

notice or lapse of time or both a default under, any agreement or instrument identified to **[me/us]** in the Loan & Other Material Agreements Certificate; or (d) violate any judicial or administrative decree, writ, judgment or order to which, to our knowledge, the Borrower is subject.

***** SELECT ONE OF THE FORMS OF PARAGRAPH III. J. *****

*** J. All authorizations from governmental entities required in connection with the execution and delivery by the Borrower of, and the performance by the Borrower of its obligations under, the Loan Documents have been obtained and are in full force and effect.

*** J. No authorization from any governmental entity is required in connection with the execution and delivery by the Borrower of, and the performance of the Borrower of its obligations under, the Loan Documents.

K. To **[my/our]** knowledge, there is no litigation, arbitration or other legal proceeding pending or threatened, verbally or in writing, against or affecting the Borrower or its property that, (i) in the opinion of the Borrower as evidenced by the Litigation Certificate, if adversely determined would have a material adverse effect upon the business, operations or financial condition of the Borrower or the Borrower's ability to perform its obligations under the Loan Documents or (ii) seeks to rescind, terminate, modify or suspend any authorization of any governmental entity referred to in paragraph III. J. above.

IV. Limitation as to Particular Laws and Reliance on this Opinion

As to matters of law, **[I/we]** limit **[my/our]** opinion to the laws of the State of **[State(s) where counsel is admitted to practice law]** and the laws of the United States of America, and **[my/our]** opinions are limited to the facts and laws in existence on the date of this opinion and at no subsequent time. **[Virginia lawyers may delete the following: [I/We] note that certain of the Loan Documents purport to be governed by Virginia law. For purposes of giving the opinions set forth above, [I/we] have assumed that Virginia law is the same as the law of the State of [State where counsel is admitted to practice law.]**

This opinion is delivered to you in connection with the loan referenced above, and may not be utilized or quoted by you for any other purpose or relied upon by any other person or entity other than your successors or assigns without **[my/our]** express written consent.

Very truly yours,

EXHIBIT A

FINANCING STATEMENTS

Type of Filing

Filing Office

Filing Date

Continuation Required

DRAFT

EXHIBIT B

LIEN SEARCH RESULTS

1. The proper filing office(s) to identify tax liens and judgment liens against the Borrower are the offices of _____ in the counties of _____ in the state of _____.
2. The proper name of the debtor necessary to identify tax liens and judgment liens against the Borrower is _____.
3. The searches for tax and judgment liens against the Borrower in the locations and under the name set forth herein identified the following tax and/or judgment liens:
4. A listing of the persons who have financing statements on file against Borrower are attached hereto.

Loan & Other Material Agreements Certificate

This Certificate is given by **[Name of general manager or other responsible officer]**, **[Title]** of **[Name of Borrower]** (the "Borrower") for the purpose of inducing **[name of counsel or counsel's firm]** to render legal opinions in connection with the execution and delivery of **[list all loan documents as listed in the opinion]** (the "Loan Documents").

I, **[Name of general manager or other responsible officer]**, **[Title]** of the Borrower, do hereby certify as of the date of this Certificate as follows:

1. I am the **[Title]** of the Borrower, and as such possess the knowledge and authority to certify to the matters set forth in this Certificate.

2. Attached hereto as Exhibit A-1 is a list of all loan agreements related instruments and security documents to which the Borrower is a party (and all amendments thereto) and as Exhibit A-2 is a list of and all other agreements (and all amendments thereto) under which a default by the Borrower could have a material adverse effect on the business; operations or financial condition of the Borrower or the Borrower's ability to perform its obligations under the Loan Documents.

IN WITNESS WHEREOF, I have executed this Certificate in my capacity as **[Title]** of the Borrower as of _____, _____.

[Name, Title]
[Name of Borrower]

EXHIBIT A-1
to
Loan & Other Material Agreements Certificate
(Loan Agreements)

Note: For most distribution borrowers, this list of loan agreements and other material agreements would likely be short. It would include all documents relating to outstanding loans from RUS, CFC, CoBank and any other lender here on Exhibit A-1, and the Borrower's wholesale power contract with its G&T and/or any other power purchase agreement on Exhibit A-2. There also may be other agreements that rise to the level of "material" requiring disclosure on Exhibit A-2.

EXHIBIT A-2
to
Loan & Other Material Agreements Certificate
(Other Material Agreements)

DRAFT

LITIGATION CERTIFICATE

This Certificate is given by **[Name of general manager or other responsible officer]**, **[Title]** of **[Name of Borrower]** (the "Borrower") for the purpose of inducing **[name of counsel or counsel's firm]** to render legal opinions in connection with the execution and delivery of **[list all loan documents as listed in the opinion]** (the "Loan Documents").

I, **[Name of general manager or other responsible officer]**, **[Title]** of the Borrower, do hereby certify as of the date of this Certificate as follows:

1. I am the **[Title]** of the Borrower, and as such possess the knowledge and authority to certify to the matters set forth in this Certificate.
2. I have discussed the subject matter of this Certificate with all officers of and legal counsel to the Borrower who reasonably would be expected to have knowledge of its subject matter.
3. **[Other than the proceeding(s) identified in Exhibit A]**, there is no litigation, arbitration or other legal proceeding, pending or threatened, verbally or in writing, against or affecting the Borrower or its property that, (i) if adversely determined, in my opinion would have a material adverse effect upon the business, operations or financial condition of the Borrower or the Borrower's ability to perform its obligations under the Loan Documents, or (ii) seeks to rescind, terminate, modify or suspend any authorization of any governmental entity required in connection with the execution and delivery by the Borrower of, and the performance by the Borrower of its obligations under, the Loan Documents.

IN WITNESS WHEREOF, I have executed this Certificate in my capacity as **[Title]** of the Borrower as of **[Date: Month, day and year]**.

[Name, Title]
[Name of Borrower]

EXHIBIT A
to
Litigation Certificate

*Note: A comprehensive list of all pending or threatened litigation is **not** required. Only litigation meeting the materiality standards set forth in Paragraph 3 of the Litigation Certificate should be described on this Exhibit. Thus, in many instances, there will not be an Exhibit to the Litigation Certificate.*

For pending proceedings, a list only of the names of parties, the name of the court, agency or arbitrator before which the proceeding is pending, and the date upon which it was filed is all that is required.

For threatened proceedings, provide the name of the party that made the threat and the type of action threatened. For example – “Brenda Jones - threatened employment discrimination action.”

If there is litigation of the type required to be disclosed on this Exhibit, the Borrower and counsel handling the litigation will need to discuss it with the lender before the loan closing. Based on those discussions, the lender will then make its own assessment of the legal risk of an adverse outcome in the litigation and whether the lender is comfortable proceeding with the loan.

The only proceedings regarding governmental authorizations that should be described on this Exhibit are those that could result in the rescission, termination, modification or suspension of a governmental authorization needed by the borrower to execute and deliver, and perform its obligations under, the Loan Documents.

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)

B. E-MAIL CONTACT AT FILER (optional)

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

NRUCFC
20701 Cooperative Way
Dulles, Virginia 20166
ATTN: Legal Assistant

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME
Overton Power District No. 5

OR

1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
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1c. MAILING ADDRESS
P.O. Box 395

CITY Overton	STATE NV	POSTAL CODE 89040-0395	COUNTRY USA
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2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
--------------------------	---------------------	-------------------------------	--------

2c. MAILING ADDRESS

CITY	STATE	POSTAL CODE	COUNTRY
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3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME
National Rural Utilities Cooperative Finance Corporation

OR

3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
--------------------------	---------------------	-------------------------------	--------

3c. MAILING ADDRESS
20701 Cooperative Way

CITY Dulles	STATE VA	POSTAL CODE 20166	COUNTRY USA
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4. COLLATERAL: This financing statement covers the following collateral:

All assets

5. Check only if applicable and check only one box: Collateral is held in a Trust (see UCC1Ad, item 17 and Instructions) being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:

Public-Finance Transaction Manufactured-Home Transaction A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box:

Agricultural Lien Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): Lessee/Lessor Consignee/Consignor Seller/Buyer Bailee/Bailor Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:

NV004-V-9004



BOARD OF TRUSTEE'S MEETING

April 15, 2026

ACTION ITEM – K

SUBJECT: Review and Possible Approval of Hiring of Employees Policy OPD-A-09.301
PETITIONER: Staff
RECOMMENDATIONS: Approval

FISCAL IMPACT:

None

BACKGROUND:

This policy was last approved in 2017. Grammatical changes as well as minor changes to make this policy consistent with other OPD5 policies, such as, the name "OPD5" was used to replace the name "District" throughout the policy.

Staff recommends approval of the policy as presented.

RECOMMENDATION:

To approve revisions to the Hiring of Employees Policy OPD- A-09.301 as presented.



Regulation No. OPD-A-09.301

Date First Approved: March 15, 1984

Revision No.: 4

Date Last Revised: March 15, 2017

Date Approved: April 15, 2026

Approved By: _____

Mike Young, Board Secretary

OVERTON POWER DISTRICT No. 5
ADMINISTRATIVE REGULATION



~~Regulation No. OPD-A-09.300~~

~~Date Approved: March 15, 2017~~

~~Approved By :~~ _____

~~Mike Young, Board Secretary~~

~~OVERTON POWER DISTRICT No. 5~~
~~ADMINISTRATIVE REGULATION~~

HIRING OF EMPLOYEES

A. PURPOSE

~~The purpose of this regulation is to establish a procedure for management to use when hiring for new positions and for filling approved, but open positions of Overton Power District No. 5 (District). The purpose of this policy is to establish a ~~consisten~~consistent process ~~fr~~for recruiting and hiring employees for newly created positions and for filling approved vacant positions as Overton Power District No. 5 (OPD5).~~

B. ~~B.~~ BOARD EQUAL EMPLOYMENT OPPORTUNITY

~~OPD5 is an Equal Employment Opportunity employer. OPD5 is committed to providing equal employment opportunities to all applicants and employees and to maintaining a workplace free from discrimination and harassment.~~

~~Employment decisions, including recruitment, selection, hiring, promotion, compensation, training, and other terms and conditions of employment, shall be made without regard to race, color, religion, creed, sex, sexual orientation, gender identity or expression, age, national origin, ancestry, disability, medical condition, genetic information, marital status, veteran or military status, or any other status protected by applicable federal, state, or local law.~~

~~This policy applies to all aspects of the hiring process and shall be administered in compliance with applicable employment laws and regulations.~~

C. BOARD OVERSIGHT AND AUTHORITY

~~The General Manager shall notify the District Board of Trustees (Board) when an approved position is open due to termination, resignation or retirement. If the General Manager chooses to fill an open position he shall fill the position in accordance with the District's policies and in a timely manner.~~

~~The General Manager will submit to the Board a request to create a new position. The request will indicate the position title, rate of pay and an assessment of the need. After Board approval of the position the General Manager will fill the authorized position in accordance with the District's policies.~~

~~The General Manager/CEO shall notify the Board of Trustees (Board) when an approved position becomes vacant due to resignation, retirement, termination, or other separation.~~

~~If the General Manager/CEO elects to fill an approved vacant position, the position shall be filled in a timely manner and in accordance with OPD5 policies.~~

~~Requests to establish new positions shall be submitted by the General Manager/CEO to the Board for approval. Such requests shall include the position title, proposed rate or range of~~

pay, and an assessment of operational need. Upon Board approval, the General Manager/CEO is authorized to recruit for and fill the position in accordance with OPD5 policies.

ED. **RECRUITMENT AND ADVERTISEMENT**

~~The District shall advertise the position opening for at least two weeks in the appropriate local news papers or trade magazines. All applications will be considered and evaluated by/or under the supervision of the General Manager. The recommended applicants will then be interviewed by/or under the supervision of the General Manager. A final selection will then be made by/or approved by the General Manager to fill the position. The board shall be informed of the individual to be hired.~~

OPD5 shall advertise open positions for a minimum of two (2) weeks using appropriate recruitment methods, which may include local newspapers, trade publications, online job postings, or other relevant platforms.

All applications shall be reviewed and evaluated by, or under the direction of, the General Manager/CEO. Qualified applicants may be interviewed by, or under the supervision of, the General Manager/CEO. Final hiring decisions shall be made by, or approved by, the General Manager/CEO.

The Board shall be informed of the selected candidate.

DE. **APPLICATIONS**

~~All applications will remain on file for one year.~~Employment applications shall be retained on file for one (1) year from the date of submission.

If within one year of the advertisement for a position, the ~~board~~Board approves another position that may be reasonably filled from the original group of applicants; the General Manager/CEO may review such applications, and if appropriate, hire an employee from those applicants without re-advertising the position.

E. **F. APPLICANT CONDITIONS OF EMPLOYMENT**

- ~~1. The approved applicant shall take and pass a physical and a drug screen prior to employment. The physical and drug screen shall be done at the District's expense and by a physician approved by the District.~~
- ~~2. The approved applicant shall also sign a letter provided by the District setting forth initial terms and conditions of employment.~~

A selected candidate must successfully complete a pre-employment physical examination and drug screening prior to beginning employment. These requirements shall be completed at OPD5's expense and conducted by an OPD5 approved medical provider.

A selected candidate shall be required to sign an employment offer or appointment letter issued by the District that outlines the initial terms and conditions of employment.

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Regulation No. OPD-A-09.301

Date First Approved: *March 15, 1984*

Revision No.: 4

Date Last Revised: *March 15, 2017*

Date Approved: *April 15, 2026*

Approved By: _____
Mike Young, Board Secretary

OVERTON POWER DISTRICT No. 5
ADMINISTRATIVE REGULATION

HIRING OF EMPLOYEES

A. PURPOSE

The purpose of this policy is to establish a consistent process for recruiting and hiring employees for newly created positions and for filling approved vacant positions as Overton Power District No. 5 (OPD5).

B. EQUAL EMPLOYMENT OPPORTUNITY

OPD5 is an Equal Employment Opportunity employer. OPD5 is committed to providing equal employment opportunities to all applicants and employees and to maintaining a workplace free from discrimination and harassment.

Employment decisions, including recruitment, selection, hiring, promotion, compensation, training, and other terms and conditions of employment, shall be made without regard to race, color, religion, creed, sex, sexual orientation, gender identity or expression, age, national origin, ancestry, disability, medical condition, genetic information, marital status, veteran or military status, or any other status protected by applicable federal, state, or local law.

This policy applies to all aspects of the hiring process and shall be administered in compliance with applicable employment laws and regulations.

C. BOARD OVERSIGHT AND AUTHORITY

The General Manager/CEO shall notify the Board of Trustees (Board) when an approved position becomes vacant due to resignation, retirement, termination, or other separation.

If the General Manager/CEO elects to fill an approved vacant position, the position shall be filled in a timely manner and in accordance with OPD5 policies.

Requests to establish new positions shall be submitted by the General Manager/CEO to the Board for approval. Such requests shall include the position title, proposed rate or range of pay, and an assessment of operational need. Upon Board approval, the General Manager/CEO is authorized to recruit for and fill the position in accordance with OPD5 policies.

D. RECRUITMENT AND ADVERTISEMENT

OPD5 shall advertise open positions for a minimum of two (2) weeks using appropriate recruitment methods, which may include local newspapers, trade publications, online job postings, or other relevant platforms.

All applications shall be reviewed and evaluated by, or under the direction of, the General Manager/CEO. Qualified applicants may be interviewed by, or under the supervision of, the General Manager/CEO. Final hiring decisions shall be made by, or approved by, the General Manager/CEO.

The Board shall be informed of the selected candidate.

E. APPLICATIONS

Employment applications shall be retained on file for one (1) year from the date of submission. If within one year of the advertisement for a position, the Board approves another position that may be reasonably filled from the original group of applicants; the General Manager/CEO may review such applications, and if appropriate, hire an employee from those applicants without re-advertising the position.

E. CONDITIONS OF EMPLOYMENT

A selected candidate must successfully complete a pre-employment physical examination and drug screening prior to beginning employment. These requirements shall be completed at OPD5's expense and conducted by an OPD5 approved medical provider.

A selected candidate shall be required to sign an employment offer or appointment letter issued by OPD5 that outlines the initial terms and conditions of employment.

DRAFT



BOARD OF TRUSTEE'S MEETING

April 14, 2026

AGENDA ITEM - L

SUBJECT: Review and Possible Approval of Employment & Hiring Practices Policy OPD-A-08.202
PETITIONER: Staff
RECOMMENDATIONS: Approval

FISCAL IMPACT:

None

BACKGROUND:

This policy was last approved in 2017. Grammatical changes as well as minor changes to make this policy consistent with other OPD5 policies, such as, the name "OPD5" was used to replace the name "District" throughout the policy.

Staff recommends approval of the policy as presented.

RECOMMENDATION:

To approve revisions to the Pay Periods Policy OPD- A-08.202 as presented.



Regulation No. OPD-A-08.202

Date First Approved: March 15, 1984

Revision No.: 4

Date Last Revised: May 17, 2017

Date Approved: April 15, 2026

Approved By: _____

Mike Young, Board Secretary

OVERTON
DISTRICT No. 5

POWER



ADMINISTRATIVE REGULATION

~~Regulation No. OPD-A-08.201~~

~~Date Approved: May 17, 2017~~

~~Approved By : _____~~

~~Mike Young, Board Secretary~~

**OVERTON POWER DISTRICT No. 5
ADMINISTRATIVE REGULATION**

EMPLOYMENT & HIRING PRACTICES

A. GENERAL

The General Manager/CEO has full authority to administer the OPD5 employment affairs in a manner consistent with the best interests of Overton Power District No. 5 (OPD5). This authority includes, but is not limited to, the power to recruit, hire, employ, promote, demote, reclassify, reassign, discipline, discharge employees, subject to applicable laws, Board approved policies, and the conditions set forth below. and otherwise administer employment affairs in such a way as he deems to be in the best interest of the District, subject to the following conditions:

B. CONDITIONS FOR EMPLOYMENT & HIRING PRACTICES

- a. Personnel may be employed on a regular basis only by in position as authorized by the Board of Trustees.
- b. Temporary help may be employed in accordance with the Temporary Worker Employment Opportunities Policy, Regulation No. OPD-P-19.2006.
- c. New full time employees shall be hired in accordance with the Hiring Employees Policy, Regulation No. OPD-A-09.300.
- d. No person who is related to a Trustee of the Board or General Manager/CEO, within – the third degree of consanguinity shall be hired on a regular basis in a fulltime position in accordance with the Nevada Revised Statutes Chapter 281.210.

C. EQUAL EMPLOYMENT OPPORTUNITY

~~The District is an Equal Employment Opportunity Employer and will not discriminate on the grounds of race, creed, color, national origin, sex, disability or genetic information in hiring or in the terms and conditions of employment, including, but not limited to upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training or apprenticeship; and will not permit supervisory personnel to discriminate on these same grounds in carrying out their assignments.~~

Overton Power District No. 5 is an Equal Employment Opportunity employer. OPD5 is committed to providing equal employment opportunities and maintaining a workplace free from unlawful discrimination and harassment.

Employment decisions shall be based on job-related qualifications and business needs and shall be made without regard to race, color, religion, creed, sex, sexual orientation, gender identity or expression, age, national origin, ancestry, disability, medical condition, genetic information, marital status, veteran or military status, or any other status protected by applicable federal, state, or local law.

This nondiscrimination policy applies to all aspects of employment, including but not limited to recruitment, hiring, promotion, demotion, transfer, discipline, layoff, termination, compensation, benefits, training, and other terms and conditions of employment. Supervisory personnel are prohibited from engaging in or permitting discriminatory practices in the performance of their duties.

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Regulation No. OPD-A-08.202

Date First Approved: *March 15, 1984*

Revision No.: 4

Date Last Revised: *May 17, 2017*

Date Approved: *April 15, 2026*

Approved By: _____

Mike Young, Board Secretary

OVERTON POWER DISTRICT No. 5
ADMINISTRATIVE REGULATION

EMPLOYMENT & HIRING PRACTICES

A. GENERAL

The General Manager/CEO has full authority to administer the OPD5 employment affairs in a manner consistent with the best interests of Overton Power District No. 5 (OPD5). This authority includes, but is not limited to, the power to recruit, hire, promote, demote, reclassify, reassign, discipline, discharge employees, subject to applicable laws, Board approved policies, and the conditions set forth below.

B. CONDITIONS FOR EMPLOYMENT & HIRING PRACTICES

- a. Personnel may be employed on a regular basis only in position as authorized by the Board of Trustees.
- b. Temporary help may be employed in accordance with the Temporary Employment Opportunities Policy, Regulation No. OPD-P-19.206.
- c. New full-time employees shall be hired in accordance with the Hiring Employees Policy, Regulation No. OPD-A-09.300.

- d. No person who is related to a Trustee of the Board or General Manager/CEO , within the third degree of consanguinity shall be hired in a fulltime position in accordance with the Nevada Revised Statutes Chapter 281.210.

C. EQUAL EMPLOYMENT OPPORTUNITY

Overton Power District No. 5 is an Equal Employment Opportunity employer. OPD5 is committed to providing equal employment opportunities and maintaining a workplace free from unlawful discrimination and harassment.

Employment decisions shall be based on job-related qualifications and business needs and shall be made without regard to race, color, religion, creed, sex, sexual orientation, gender identity or expression, age, national origin, ancestry, disability, medical condition, genetic information, marital status, veteran or military status, or any other status protected by applicable federal, state, or local law.

This nondiscrimination policy applies to all aspects of employment, including but not limited to recruitment, hiring, promotion, demotion, transfer, discipline, layoff, termination, compensation, benefits, training, and other terms and conditions of employment.

Supervisory personnel are prohibited from engaging in or permitting discriminatory practices in the performance of their duties.