



Good Delivery Requirements

USDA/RD Government Guaranteed Loans sold through the Single & Multi Note Option Rural Development — Business and Industry, Community Programs, Water and Waste Disposal, & Rural Energy for America Program

Note: Loan must be properly closed and fully disbursed prior to settlement date in the secondary market.

Documents to be included in all transaction packages:

A. Assignment Guarantee Agreement (Current Form RD 5001-6)

This form must be the current published form, obtained from your USDA office, or on FHN's Website.

1. This form must be the original published document, must be assigned to **FHN Financial Capital Markets**, and must not predate the Loan Note Guarantee (Form RD 5001-5). Copies will not be accepted.
2. All signatures on last page must be original signatures. Facsimile/Digital signatures are unacceptable.
3. This form must have no white-outs, mark-outs, or any other methods of correction.
4. Please type the USDA Borrower Loan Identification Number exactly as it appears on the Loan Note Guarantee (Form RD 5001-4).

B. Payment History indicating the current status of Borrower; if new loan, please send transcript showing date(s) and amounts of disbursement(s) to borrower.

C. The Note (as defined in the applicable Agency regulations)

1. This form must be a copy.
2. Note must have no white outs, mark-outs, or any other methods of correction.
3. Any modifications to the original Note must accompany the Note. Agency approval in letter form is required for any change dated after the date of the Loan Note Guarantee.

D. Loan Note Guarantee (Current Form RD 5001-4)

1. This form is provided by the Agency after the loan is guaranteed.
2. This document must be a copy executed by USDA Rural Development. Digital signatures are acceptable on this form.
3. This form must have no white-outs, mark-outs, or any other methods of correction.

E. Prepayment Pass-Through Letter

If prepayment penalty language is incorporated in the Note, a Prepayment Pass-Through Letter from the originating Lender must be prepared and addressed to FHN Financial Capital Markets as indicated on [sample letter](#). The Letter should state the Lender's intent to pass through to the holder a pro rata share of any prepayment collected from the borrower. One (1) original letter on Lender letterhead with original signature should be included for each transaction.

F. If the seller is not the original Lender, three (3) Transfer Documents must be properly executed, assigning the loan from seller to purchaser. If the loan is already in the Secondary Market, include all Transfer Documents representing the chain of ownership from the original holder to the current purchaser.

1. Transfer document must have no white-outs, mark-outs, or any other methods of correction.
2. All signatures must be original. Facsimile/Digital signatures are unacceptable.

Please submit the document package to:

FHN Financial Capital Markets
Attn: Settlement Dept.
920 Memorial City Way, Suite 1100
Houston, TX 77024

Should you have any questions regarding the above information, please contact your FHN Financial Sales Representative or a Government Loan Specialist at 1.800.489.3232.

Disclaimer is located on the last page of this document.



FHN FINANCIAL
CAPITAL MARKETS

FHN FINANCIAL
SECURITIES CORP.

FHN FINANCIAL
CAPITAL ASSETS CORP.

FHN FINANCIAL
PORTFOLIO ADVISORS

FHN FINANCIAL
MAIN STREET ADVISORS

FHN FINANCIAL
MUNICIPAL ADVISORS

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Although this information has been obtained from sources which we believe to be reliable, we do not guarantee its accuracy, and it may be incomplete or condensed. This is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security. All herein listed securities are subject to availability and change in price. Past performance is not indicative of future results, and changes in any assumptions may have a material effect on projected results. Ratings on all securities are subject to change.

FHN Financial Capital Markets, FHN Financial Portfolio Advisors, and FHN Financial Municipal Advisors are divisions of First Horizon Bank. FHN Financial Securities Corp., FHN Financial Main Street Advisors, LLC, and FHN Financial Capital Assets Corp. are wholly owned subsidiaries of First Horizon Bank. FHN Financial Securities Corp. is a member of FINRA and SIPC — <http://www.sipc.org>.

FHN Financial Municipal Advisors is a registered municipal advisor. FHN Financial Portfolio Advisors is a portfolio manager operating under the trust powers of First Horizon Bank. FHN Financial Main Street Advisors, LLC is a registered investment advisor. None of the other FHN entities, including FHN Financial Capital Markets, FHN Financial Securities Corp., or FHN Financial Capital Assets Corp. are acting as your advisor, and none owe a fiduciary duty under the securities laws to you, any municipal entity, or any obligated person with respect to, among other things, the information and material contained in this communication. Instead, these FHN entities are acting for their own interests. You should discuss any information or material contained in this communication with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material.

FHN Financial, through First Horizon Bank or its affiliates, offers investment products and services. Investment products are not FDIC insured, have no bank guarantee, and may lose value.

11.15.19

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

ASSIGNMENT GUARANTEE AGREEMENT

PROGRAM: Business and Industry (7 CFR 5001.1(a)(3))

USDA Borrower Loan Identification Number: 12-345-678912345

ABC Bank (Lender) has made a loan to Excel Energy, LLC (Borrower) in the principal amount of \$ 10,000,000 as evidenced by a Promissory Note(s) dated August 3, 2023.

The United States of America, acting through the U.S. Department of Agriculture (USDA), entered into a Loan Note Guarantee with the Lender applicable to such loan to guarantee the loan not to exceed 80 percent of the amount of the principal advanced and any interest due thereon as provided therein. The guaranteed portion of the loan is \$ 8,000,000.00.

The principal amount of the loan is evidenced by One Promissory Note(s) described below. The guaranteed portion of each Promissory Note is indicated below.

Add/ Remove	Lender's Identifying Loan Number	Lender's Promissory Note Number	Face Amount of Note	Percent of Guarantee	Amount Guaranteed
+ -	1234567	One	\$10,000,000.00	80	\$8,000,000.00
+ -					

FHN Financial Capital Markets (Holder) desires to purchase from Lender 10 percent of the guaranteed portion of Promissory Note Number One. Copies of Borrower's Promissory Note(s) and Loan Note Guarantee are attached hereto as a part hereof. Upon execution, a copy of all Assignment Guarantee Agreements associated with a Promissory Note will be attached to the original Promissory Note to be physically retained by original Lender. The original of the Assignment is retained by the Holder. Holder's rights to payments are listed herein. All terms not otherwise defined have the definitions given to them in the 7 CFR part 5001.3. This Assignment Guarantee Agreement is effective on the date of the last signature date set forth below.

NOW, THEREFORE, THE PARTIES AGREE:

- The principal amount of the Promissory Note now outstanding is \$ 10,000,000.00. Lender hereby assigns to Holder 10 percent of the guaranteed portion of the Promissory Note representing \$ 800,000.00 of such loan now outstanding in accordance with all of the terms and conditions hereinafter set forth. The Lender and USDA certify to the Holder that the Lender has paid and USDA has received the guarantee fee in exchange for the issuance of the Loan Note Guarantee and any applicable fees.
- Loan Servicing.** The Lender is responsible for servicing the entire loan and will remain mortgagee and secured party of record. The entire loan will be secured by the same security with equal lien priority for the guaranteed and unguaranteed portions of the loan. The Lender will receive all payments on account of principal of, or interest on, the entire loan and shall promptly remit to the Holder its pro rata share thereof determined according to their respective interests in the loan, less only the Lender's servicing fee.
- Servicing Fee.** Holder agrees that Lender will retain a servicing fee of 0.25 percent per annum of the unpaid balance of the guaranteed portion of the loan assigned hereunder.
- Purchase by Holder.** The Holder will hereby succeed to all rights of the Lender under the Loan Note Guarantee to the extent of the assigned portion of the loan in accordance to the terms and conditions of the program regulations found in 7 CFR part 5001. The Lender, however, will remain bound by all obligations under the Loan Note Guarantee and the program regulations found in 7 CFR part 5001.

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 0570-0155. Public reporting for this collection of information is estimated to be approximately 3.42 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are voluntary, however in order to obtain or retain a benefit the information in this form is required (citing authority). Rural Development has no plans to publish information collected under the provisions of this program. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Rural Development Innovation Center, Regulations Management Division at ICRMTRRequests@usda.gov.

5. **Full Faith and Credit.** The Loan Note Guarantee constitutes an obligation supported by the full faith and credit of the United States and is incontestable except for fraud or misrepresentation of which the Holder has actual knowledge at the time it becomes such a Lender or Holder of this assignment, or which it participates in or condones.
6. **Rights and Liabilities.** A Holder can make written demand on either the Lender or the Agency to repurchase the unpaid guarantee portion of the loan when the Borrower is in monetary default or when the Lender has failed to pay the Holder its pro-rata share of any payment made by the Borrower within 30 days of the Lender's receipt thereof from the Borrower. When making written demand on the Lender, the Holder must concurrently send a copy of the demand letter to the Agency. The Loan Note Guarantee and right to require purchase will be directly enforceable by Holder notwithstanding any fraud or misrepresentation by Lender or any unenforceability of the Loan Note Guarantee by Lender. Nothing contained herein shall constitute any waiver by USDA of any rights it possesses against the Lender, and the Lender agrees that Lender will be liable and will promptly reimburse USDA for any payment made by USDA to Holder which, if such Lender had held the guaranteed portion of the loan, USDA would not be required to make.
7. **Repurchase by the Lender (Defaults).** The Lender may repurchase the unpaid guaranteed portion of the loan from the Holder upon written demand by the Holder. The repurchase by the Lender will be for an amount equal to the unpaid guaranteed portion of principal and accrued interest, in accordance with 7 CFR .5001.450(c), less the Lender's servicing fee. Upon repurchase the Holder will re-assign the Assignment Guarantee Agreement to the Lender without recourse. The Lender or the Agency will issue an interest termination letter to the Holder establishing the termination date for interest accrual if the default is not cured. The Loan Note Guarantee will not cover interest to the Holder accruing after 90 days from the date of the interest termination letter.
8. **Purchase by USDA.** If Lender does not repurchase as provided by paragraph 7, USDA will purchase from Holder the unpaid principal balance of the guaranteed portion together with accrued interest to date of repurchase less any Lender's servicing fee, within 30 days after written demand to USDA from Holder.

The Lender or the Agency will issue an interest termination letter to the Holder establishing the termination date for interest accrual. The Loan Note Guarantee will not cover interest to any Holder accruing after 90 days from the date of the interest termination letter. Any demand will include a copy of the written demand made upon the Lender. The Holder, or its duly authorized agent, will also include evidence of its right to require payment from USDA. Such evidence will consist of the original of the Assignment Guarantee Agreement properly assigned to USDA without recourse including all rights, title, and interest in the Loan. USDA will be subrogated to all rights of Holder. The Holder will include in its demand the amount due including unpaid principal, unpaid interest to date of demand and interest subsequently accruing from date of demand to proposed payment date. The USDA will promptly notify the Lender of its receipt of the Holder's demand for payment. The Lender will promptly provide USDA with the information necessary for USDA's determination of the appropriate amount due to the Holder. Any discrepancy between the amount claimed by the Holder and the information submitted by the Lender must be resolved. USDA will notify both parties who must resolve the conflict before payment will be approved. Upon receipt of the appropriate information, USDA will review the demand for verification and remit the appropriate payment to Holder. USDA will issue payment no later than 30 calendar days from the date of demand. If there is a discrepancy between the amount claimed by the Holder and the information submitted by the Lender, such discrepancy will suspend the running of the 30-day payment requirement.

9. **Lender's Obligations.** Lender consents to any required purchase by USDA and agrees to furnish on request by USDA a current statement certified by an appropriate authorized officer of the Lender of the unpaid principal and interest then owed by Borrowers on the Loan and the amount then owed to any Holder. Lender agrees that any purchase by USDA does not change, alter or modify any of the Lender's obligations to USDA arising from this Loan Note Guarantee and applicable program regulations nor does it waive any of USDA's rights against Lender, and that USDA will have the right to set-off against Lender all rights inuring to USDA as the Holder of this instrument against USDA's obligation to Lender under the Loan Note Guarantee.
10. **Repurchase by Lender for Servicing.** If the Lender, Borrower, and Holder are unable to agree to restructuring of loan repayment, interest rate, or loan terms to resolve any loan problem or resolve any default, and, repurchase of the assigned portion of the loan is necessary to adequately service the loan, the Holder will reassign the guaranteed portion of the loan to the Lender. The reassignment must be for an amount not less than the holder's portion of unpaid principal and interest less the Lender's servicing fee. The Lender is encouraged to repurchase, upon written demand of holder, to facilitate the accounting of funds, resolve any loan problems, and prevent default, when reasonable. The Lender will provide written notification of its decision to the Holder and the Agency. The Lender will not repurchase from the Holder for arbitrage purposes or other purposes to further its own financial gain. Any repurchase will only be made after the Lender obtains USDA written approval. If the Lender does not repurchase the guaranteed portion from the Holder, USDA, at its option, may purchase such guaranteed portion for servicing purposes.

11. **Termination of Lender's Servicing Fee.** The Lender's servicing fee will stop on the date that interest was last paid by the Borrower when USDA purchases the guaranteed portion of the loan from a Holder. No such servicing fee may be charged to USDA and all loan payments and collateral proceeds received will be remitted to USDA on a pro rata basis according to its respective interest in the loan. The Lender is responsible for servicing the entire loan and will remain mortgagee and secured party of record.

12. **Reassignment.** A Holder, upon written notice to the Lender and the Agency, may reassign the unpaid guaranteed portion of the loan, in full, assigned under this assignment guarantee agreement. Holders can only reassign the complete block they have received and cannot subdivide or further split their interest in the guaranteed portion of a loan or retain an interest strip. Upon such notification, the assignee will succeed to all rights and obligations of the Holder hereunder. Subsequent assignments require notice to the Lender and Agency using any format, including that used by the Securities Industry and Financial Markets Association (formerly known as the Bond Market Association), together with the transfer of the original assignment guarantee agreement.

13. **Notices.** All notices will be initiated through the USDA Rural Development for (State of USDA Office) _____ (State) on the day of this instrument, at the following mailing address:

USDA Office
Street Address

UNITED STATES OF AMERICA
Department of Agriculture

By:

Agency Official

(Name: Printed or Typed)

Title:

Date:

LENDER: ABC Bank

Address:

By:

Lender Official

(Name: Printed or Typed)

Title:

Date:

HOLDER: FHN Financial Capital Markets

Address:

By:

(Name: Printed or Typed)

Title: _____

Date:

5. Payments.

Lender will receive all payments of principal or interest on account of the entire Loan and will promptly remit to Holder its pro rata share thereof determined according to its respective interest in the Loan, less only Lender's servicing fee.

6. Protective Advances.

Protective advances made by Lender pursuant to the regulations will be guaranteed against a percentage of loss to the same extent as provided in this Loan Note Guarantee.

7. Repurchase by Lender.

The Lender has the option to repurchase the unpaid guaranteed portion of the Loan from the Holder within 30 days of written demand by the Holder when: (a) the Borrower is in Monetary Default or (b) the Lender has failed to remit to the Holder its pro rata share of any payment made by the Borrower within 30 days of its receipt thereof. The repurchase by the Lender will be for an amount equal to the unpaid guaranteed portion of principal and accrued interest in accordance with 7 CFR .5001.450(c) less the Lender's servicing fee.

The Holder will concurrently send a copy of the demand to USDA. The Lender will accept a re-assignment without recourse from the Holder upon repurchase. The Lender is encouraged to repurchase the Loan to facilitate the accounting for funds, resolve the Loan problem, and to permit the borrower to cure the default, where reasonable. The Lender will notify the Holder and USDA of its decision.

8. USDA Purchase.

If Lender does not repurchase as provided by paragraph 7, USDA will purchase from the Holder the unpaid principal balance of the guaranteed portion together with accrued interest to date of repurchase less any Lender's servicing fee, within 30 days after written demand to USDA from the Holder.

The Lender or the Agency will issue an interest termination letter to the Holder(s) establishing the termination date for interest accrual. The guarantee will not cover interest to any Holder accruing after 90 days from the date of the interest termination letter. Any demand will include a copy of the written demand made upon the Lender. The Holder, or its duly authorized agent, will also include evidence of its right to require payment from USDA. Such evidence will consist of the original of the Assignment Guarantee Agreement properly assigned to USDA without recourse including all rights, title, and interest in the Loan. USDA will be subrogated to all rights of the Holder. The Holder will include in its demand the amount due including unpaid principal, unpaid interest to date of demand and interest subsequently accruing from date of demand to proposed payment date. The USDA will promptly notify the Lender of its receipt of the Holder's demand for payment. The Lender will promptly provide USDA with the information necessary for USDA's determination of the appropriate amount due to the Holder. Any discrepancy between the amount claimed by the Holder and the information submitted by the Lender must be resolved. USDA will notify both parties who must resolve the conflict before payment will be approved. Upon receipt of the appropriate information, USDA will review the demand for verification and remit the appropriate payment to the Holder. USDA will issue payment no later than 30 calendar days from the date of the demand. If there is a discrepancy between the amount claimed by the Holder and the information submitted by the Lender, such discrepancy will suspend the running of the 30-day payment requirement.

9. Lender's Obligations.

Lender consents to any required purchase by USDA and agrees to furnish on request by USDA a current statement certified by an appropriate authorized officer of the Lender of the unpaid principal and interest then owed by the Borrower on the Loan and the amount then owed to any Holder. Lender agrees that any purchase by USDA does not change, alter or modify any of the Lender's obligations to USDA arising from this Loan Note Guarantee and applicable program regulations nor does it waive any of USDA's rights against Lender, and that USDA will have the right to set-off against Lender all rights inuring to USDA as the Holder of this instrument against USDA's obligation to Lender under the Loan Note Guarantee.

10. Repurchase by Lender for Servicing.

If the Lender, Borrower, and Holder are unable to agree to restructuring of Loan repayment, interest rate, or Loan terms to resolve any Loan problem or resolve any default, and, in the opinion of the Lender, repurchase of the guaranteed portion of the Loan is necessary to adequately service the Loan, the Holder will reassign the guaranteed portion of the loan to the Lender. The reassignment must be for an amount not less than the Holder's portion of the unpaid principal and interest less the Lender's servicing fee.

- a. The Lender will not repurchase from the Holder for arbitrage purposes or other purposes to further its own financial gain.
- b. Any repurchase will only be made after the Lender obtains USDA written approval.
- c. If the Lender does not repurchase the portion from the Holder, USDA at its option may purchase such guaranteed portions for servicing purposes.

11. Custody of Unguaranteed Portion.

Subject to Lender's required retention pursuant to 7 CFR 5001.408, the Lender may retain or sell the unguaranteed portion of the Loan, but only through participation. Participation, as used in this instrument, means the sale of an interest in the Loan wherein the Lender retains the note, collateral securing the note, and all responsibility for Loan servicing and liquidation.

12. When Guarantee Terminates.

This Loan Note Guarantee will terminate automatically upon (a) full payment of the guaranteed Loan; (b) full payment of any loss obligation hereunder; or (c) written notice from the Lender to USDA that the guarantee will terminate upon USDA's receipt of notice, provided the Lender holds all of the guaranteed portion and the Loan Note Guarantee is returned to be canceled by USDA.

13. Settlement.

The amount due under this instrument will be determined and paid as provided in the applicable USDA regulations in effect on the date of settlement unless such regulations are in direct conflict with this agreement.

14. Notices.

All notices will be initiated through the USDA RURAL DEVELOPMENT _____ for _____ (State of USDA Office) _____ (State) with mailing address at the day of this instrument:

Address of USDA Office

UNITED STATES OF AMERICA
Department of Agriculture

By: Agency official

Agency Official

(Name: Typed or Printed)

Title: Business & Cooperative Programs Director

Date: 8-10-2023

Assumption Agreement by: _____ Dated: _____

Assumption Agreement by: _____ Dated: _____

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

LOAN NOTE GUARANTEE

Borrower Name: Excel Energy, LLC	
Lender Name: ABC Bank	Lender's Tax ID Number: 12-3456789
Lender's Address: 123 Main Street Any City, TX 77000	USDA's Borrower and Loan Identification Number: 12-345-678912345
Principal Amount of Loan ("Loan") \$ 10,000,000.00	Date of Note(s): 8-3-2023

Type of Loan: Community Programs Water and Waste Disposal Business and Industry Rural Energy for America Program

The guaranteed portion of the loan is \$ 8,000,000.00, which is 80 percent of total loan principal. The principal amount of the loan is evidenced by One notes (includes bonds as appropriate) described below. The guaranteed portion of each note is indicated below.

Add/ Remove	<u>Lender's Identifying Loan Number</u>	<u>Lender's Promissory Note Number</u>	<u>Face Amount of Note</u>	<u>Percent of Guarantee</u>	<u>Amount Guaranteed</u>
<input type="checkbox"/> + <input type="checkbox"/> -	1234567	One	\$10,000,000.00	80	\$8,000,000.00
Total:			\$10,000,000.00		\$8,000,000.00

All terms not otherwise defined have the definitions given to them in the 7 CFR part 5001.3.

In consideration of the making of the subject Loan by the above named Lender, the United States of America, acting through the United States Department of Agriculture (USDA), does hereby agree that in accordance with, and subject to the conditions and requirements herein, it will pay any loss on the above referenced Loan in accordance with this agreement and 7 CFR part 5001 to the below parties as follows:

A. To any Holder holding a valid Assignment Guarantee Agreement, 100 percent of any loss sustained by such Holder on the guaranteed portion of the guaranteed Loan it owns and on interest due on such portion less any servicing fee. The Lender or the Agency will issue an interest termination letter to the Holder(s) establishing the termination date for interest accrual. This Guarantee will not cover interest to any Holder accruing after 90 days from the date of the interest termination letter.

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 0572 - 0155. Public reporting for this collection of information is estimated to be approximately 3.42 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information.

All responses to this collection of information are voluntary, however in order to obtain or retain a benefit the information in this form is required (citing authority). Rural Development has no plans to publish information collected under the provisions of this program. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Rural Development Innovation Center, Regulations Management Division at ICRMTRRequests@usda.gov.

B. To the Lender, the lesser of paragraph 1 or 2 below:

1. Any loss sustained by the Lender on the guaranteed portion of the guaranteed Loan, including principal and interest, evidenced by the notes or assumption agreements and secured advances for protection and preservation of collateral made with the Agency's authorization. The guarantee will not cover note interest to the Lender accruing after 90 days from the most recent delinquency effective date except as provided in 7 CFR 5001.450(c)(1); or

2. The guaranteed principal advanced to or assumed by the Borrower and any interest due thereon. The guarantee will not cover note interest to the Lender accruing after 90 days from the most recent delinquency effective date, except as provided in 7 CFR 5001.450(c)(1).

CONDITIONS OF GUARANTEE

1. Loan Servicing.

The Lender is responsible for servicing the entire Loan, and the Lender will remain mortgagee and secured party of record notwithstanding the fact that another party may hold a portion of the Loan. When multiple notes are used to evidence a Loan, the Lender will structure repayments as provided in the Loan Agreement.

2. Priorities.

The entire Loan will be secured by the same security with equal lien priority for the guaranteed and unguaranteed portions of the Loan. The Lender will receive all payments on account of principal of, or interest on, the entire Loan and shall promptly remit to the Holder its pro rata share thereof determined according to their respective interests in the Loan, less only the Lender's servicing fee.

3. Full Faith and Credit.

The Loan Note Guarantee constitutes an obligation supported by the full faith and credit of the United States and is incontestable except for fraud or misrepresentation of which the Lender or any Holder has actual knowledge at the time it became such Lender or Holder or which the Lender or any Holder participates in or condones. The Loan Note Guarantee will be unenforceable to the extent that any loss is occasioned by a provision for interest on interest or default or penalty interest, violation of usury laws, use of Loan proceeds for unauthorized purposes, negligent Loan origination, negligent Loan servicing, or failure to obtain or maintain the required security regardless of the time at which USDA acquires knowledge of the foregoing. Any losses occasioned will be unenforceable to the extent that Loan funds are used for purposes other than those specifically approved by USDA in its Conditional Commitment or amendment thereof. Negligent Loan origination or negligent Loan servicing is the failure to perform those services which a reasonably prudent lender would perform in processing or servicing (including liquidation) its own portfolio of Loans that are not guaranteed. The term includes not only the concept of a failure to act but also not acting in a timely manner or acting in a manner contrary to the manner in which a reasonably prudent lender would act up to the time of Loan maturity or until a final loss is paid.

4. Rights and Liabilities.

The guarantee and right to require purchase will be directly enforceable by Holder notwithstanding any fraud or misrepresentation by Lender or any unenforceability of this Loan Note Guarantee by Lender except for fraud or misrepresentation of which the Holder had actual knowledge at the time it became the Holder or in which the Holder participates or condones. Nothing contained herein or any payment made to the Holder by USDA will constitute any waiver by USDA of any rights it possesses against the Lender. Lender will be liable for and will promptly pay to USDA any payment made by USDA to Holder which, if Lender had held the guaranteed portion of the Loan, USDA would not be required to make.

ABC BANK

Today's date

Mr. John Cioccia
Senior Vice President
FHN Financial Capital Markets
920 Memorial City Way, 11th
Floor Houston, TX 77024

Subject: USDA Loan Name: Excel Energy, LLC
 Loan Number: 12-345-678912345
 Note Amount: \$10,000,000.00
 Note Date: 8/3/2023

Dear Mr. Cioccia:

Please accept this correspondence as a formal agreement acknowledging that ABC Bank, ("Lender") agrees to pass through all prepayment penalties collected from Excel Energy, LLC (Borrowers Name) to the Holder(s) of the guaranteed portion of the loan. Immediately upon collection by the Lender, the prepayment penalties shall be remitted to each Holder on a "pro-rata basis" according to the percentage of the USDA guarantee owned by each Holder.

Sincerely,
ABC BANK

Original Signature of an authorized officer of the Lender

Promissory Note

Note No. 1234567

\$10,000,000.00

Note Date 8/3/2023

FOR VALUE RECEIVED, Excel Energy LLC, (hereinafter referred to as "Maker" hereby unconditionally promises to pay to the order of ABC Bank ("Payee") at 123 Main St., Any city, Texas 77000, or at such other address given to Maker by Payee, the principal sum of TEN MILLION AND NO/100 DOLLARS (\$10,000,000.00), In lawful money of the United States of America, together with interest per annum (calculated on the basis of a 360-day year) on the unpaid principal balance from day -to- day remaining, computed from the date of advance until maturity at the rate equal to the lesser of (a) the Maximum Rate (as hereinafter defined) or (b) Prime Rate (as hereafter defined) plus two and one quarter percent (P +2.25%)*. The interest rate as of the date hereof is 5.75%. Principal and interest under this note (the "Note") are due and payable as follows:

Initial monthly payment of principal and interest shall be due and payable in the amount of Sixty-Eight Thousand Nine Hundred Forty Seven and 00/100 Dollars (\$68,947.00), with the first such installment due on the 1st day of September, 2016. Monthly payments shall continue to be due and payable on the same day of each calendar month thereafter until August 1st, 2036 (the "Maturity Date"), when all unpaid principal and unpaid interest shall be due and payable in full. Monthly payments shall be increased or decreased based on the changes in interest rate to ensure that the entire loan balance is paid in full on the final Maturity Date.

*The interest rate will adjust on the first day of each calendar quarter (the "Adjustment Date) to a rate equal to TWO AND ONE QUARTER PERCENT (2.25%) per annum (on the basis of actual days elapsed over a 360-day year) above the minimum prime lending rate charged by the large U.S. money center commercial banks as published from time to time In the Money Rates Section of the Wall Street Journal ("Prime Rate"), each change in the rate charged hereunder to become effective without notice to the undersigned as of the Adjustment Date, but in no event shall the rate charged hereunder exceed the Maximum Rate (as hereafter defined). The undersigned understand and acknowledge that Payee may from time to time make various loans at rates of interest having no relationship to the Prime Rate, and that the Prime Rate may not be the lowest interest rate charged for loans by Payee. In the event the Wall Street Journal discontinues publishing a "Prime Rate", the Prime Rate shall be the nearest comparable published rate, as determined by the holder of this Note.

The term "Maximum Rate," as used herein, shall mean, with respect to each holder hereof the maximum non-usurious interest rate, if any, that at any time, or from time to time, may under applicable law be contracted for, taken, reserved, charged or received on the Indebtedness evidenced by this Note under the laws which are presently in effect of the United States and the State of Texas applicable to such holder and such indebtedness or, to the extent allowed by law under such applicable laws of the United States of America and the State of Texas which may hereafter be in effect, which allow a higher maximum non-usurious interest rate than applicable laws now allow; provided, that in determining the Maximum Rate, due regard shall be given, to the extent required by applicable law, to any and all relevant payments, fees, charges, deposits, balances, agreements and calculations which may constitute or be deemed to constitute interest, or be deducted from principal to calculate the interest rate or otherwise affect Interest rate determinations, so that in no event shall the Payee contract for, charge, receive, take, collect, reserve or apply, on the Note, any amount in excess of the maximum non-usurious rate of interest

permitted by applicable Law. To the extent that Texas law determines the Maximum Rate, the Maximum Rate shall be determined by utilizing the "indicated rate ceiling" from time to time in effect pursuant to the Texas Finance Code (V.T.C.A. Finance Code Section 303.001 et seq.) (the "Texas Finance Code" or such successor statute, as then in effect, governing usury. The Maximum Rate shall not be limited to the applicable rate ceiling in the Texas Finance Code or such successor statute if Federal laws or other state laws now or hereafter in effect and applicable to the Note (and the interest contracted for, charged and collected hereunder) shall permit a higher rate of interest.

Maker and Payee intend to comply with the applicable law governing the Maximum Rate. Interest contracted for, charged, or received shall not exceed the Maximum Rate, and, if in any contingency whatsoever, Payee shall receive anything of value deemed interest under applicable law which would cause the interest contracted for, charged, or received by the holder thereof to exceed the maximum amount of interest permissible under applicable law, the excessive Interest shall be applied to the reduction of the unpaid principal balance hereof such excess shall be refunded to Maker, and the provisions of this Note and any demand on Maker shall be immediately be deemed reformed and the amounts thereafter collectible hereunder shall be reduced, without the necessity of the execution on any new documents, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder. All interest paid or agreed to be paid to the holder hereof shall, to the extent permitted by applicable law, shall be amortized, prorated, allocated, and spread throughout the full term of such indebtedness until paid in full (including the period of any renewal or extension hereof) so that the rate or amount of interest on account of such indebtedness does not exceed the Maximum Rate.

Maker agrees to pay a late charge of five percent (5%) of the payment amount if such payment is not received within ten (10) days of the due date. Payments, when made, shall be applied in a manner and order according to the sole discretion of the holder of this Note.

All past-due principal and, to the extent permitted by applicable law, past-due interest upon this Note shall bear interest at the Maximum Rate.

Remittances in payment of any part of this Note other than in the required amount in immediately available funds at the place where this Note is payable shall not, regardless of any receipt or credit issued therefore, constitute payment until the required amount is actually received by Payee in full accordance herewith and shall be made and accepted subject to the condition that any check or draft may be handled for collection in accordance with the practice of the collecting bank or banks. Acceptance by Payee of any payment in an amount less than the full amount then due shall be deemed an acceptance on account only, and the failure to pay the entire amount then due shall be and continue to be a Default (hereinafter defined). This Note is secured in part by a Deed of Trust (with Security Agreement and Assignment of Rents) which together with all other documents evidencing, securing or pertaining to the transaction in which the Indebtedness evidenced hereby is incurred are collectively referred to as the "Loan Documents".

Maker and each surety, endorser, guarantor, and other party ever liable for payment of any sums of money payable on this Note, jointly and severally waive presentment, protest, notice of protest and nonpayment, notice of default and notice of acceleration and intention to accelerate, and agree that theft liability under this Note shall not be affected by any renewal or extension in the time of payment hereof, or in any indulgences, or by any release or change in any security for the payment of this Note, and hereby consent to any and all renewals, extensions, indulgences, releases or changes.

If this Note or any Loan Documents are given by Payee to an attorney for collection or enforcement, or if suit is brought for collection or enforcement, or if it is collected or enforced through probate, bankruptcy, or other judicial proceeding, then Maker shall pay Payee all costs of collection and enforcement, including reasonable attorney's fees and court costs, in addition to other amounts due.

No waiver by Payee of any of its rights or remedies under this Note or any Loan Documents, shall be considered a waiver of any other right or remedy of Payee no delay or omission in the exercise or enforcement by Payee of any rights or remedies shall ever be construed as a waiver of any right or remedy of Payee; and no exercise or enforcement of any such rights or remedies shall ever be held to exhaust any right or remedy of Payee.

Maker agrees that in the event any portion of this Note is prepaid in whole or in part prior to the Maturity Date, so as to constitute a ("Prepayment", consideration will be tendered with the prepayment to the Payee ("Prepayment Consideration") based upon the following schedule:

- 1) If the prepayment occurs on or before the first anniversary date of the loan, the prepayment penalty will equal five percent (5%) of the principal amount prepaid.
- 2) If the prepayment occurs after the first anniversary date, but on or before the second anniversary date, the prepayment penalty will equal four percent (4%) of the principal amount prepaid.
- 3) If the prepayment occurs after the second anniversary date, but on or before the third anniversary date, the prepayment penalty will equal three percent (3%) of the principal amount prepaid.
- 4) If the prepayment occurs after the third anniversary date, but on or before the fourth anniversary date, the prepayment penalty will equal two percent (2%) of the principal amount prepaid.
- 5) If the prepayment occurs after the fourth anniversary date, but on or before the fifth anniversary date, the prepayment penalty will equal one percent (1%) of the principal amount prepaid.

Prepayment penalty shall not apply if the prepayment occurs after the fifth anniversary date.

Maker acknowledges that the Prepayment Consideration is consideration to Payee for the privilege of prepaying the indebtedness evidenced by this Note prior to maturity, and Maker recognizes that Payee would incur substantial additional costs and expenses in the event of a prepayment of the indebtedness evidenced by this Note and that the Prepayment Consideration compensates Payee for such costs and expenses (including without limitation, the loss of Payee's investment opportunity during the period from the date of prepayment until the Maturity Date).

"Default" shall mean any one or more of the following: (i) the failure by Maker to pay any installment of principal or interest under this Note when due, (ii) the failure by Maker to pay all sums owed to Payee under this Note and every Loan Document on or before the Maturity Date, or (iii) the occurrence of any Event of Default under the Loan Documents.

Upon the occurrence of a Default, payee may, at its option without notice or demand, declare the unpaid principal balance of, and the accrued but unpaid interest on this Promissory Note immediately due

and payable and exercise and pursue any and all other rights remedies as provided herein or in any of the loan Documents.

Upon the occurrence of a Default, Payee is hereby authorized at any time from time to time, without notice to Maker (any such notice being expressly waived by each such Maker), to set off and apply any and all deposits {general or special, time or demand, provisional or final} at any time held, and other indebtedness at any time owing, by the Payee to or for the credit or the account of Maker, against any and all obligations of such Maker now or hereafter existing under this Note, irrespective of whether or not Payee shall have made demand under this Note and although such obligations may be contingent and unmetered. The rights of the Payee under this section are in addition to all other rights and remedies (including, without limitation, other rights of offset) which Payee may have hereunder or under any applicable law.

All obligations, covenants, and terms of payment are expressly performable solely in Harris County, Texas. The substantive laws of the State of Texas shall govern the validity, construction, enforcement and interpretation of this Note. In the event of a dispute involving this Note or any of the Loan Documents, the undersigned irrevocably agrees that venue for such dispute shall lie in any court of competent jurisdiction in Harris County, Texas.

Maker:

Excel Energy, LLC

By: Excel Energy, LLC

By: John Smith

John Smith, President