



Quay County Government

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AGENDA REGULAR SESSION QUAY COUNTY BOARD OF COMMISSIONERS September 08, 2025

9:00 A.M. Call Meeting to Order

Pledge of Allegiance

Approval of Minutes-Regular Session August 18,2025

Approval/Amendment of Agenda

Public Comment

New Business

- I. **Luis Carrasco, Quay County Bond Attorney**
 - Request Approval of **Ordinance No. 60**
 - Presentation of **Loan Agreement (Draft)**
 - Presentation of **Intercept Agreement (Draft)**
- II. **Jamie Lauders, TQRECC Director**
 - Request Approval of **Ordinance No. 59**
 - Request Approval of **Loan Agreement**
 - Request Approval of **Intercept Agreement**
 - Request Approval of **General and No Litigation**
 - Request Approval of **Arbitrage and Tax Certificate, Form 8038-G**
 - Request Approval of **Delivery, Deposit and Cross-Receipt**
- III. **Jefferson Byrd, Quay County Assessor**
 - Request Approval of **New Tax Rates**
- IV. **Bill Kardokus, Quay County Emergency Manager**
 - Request Approval of **Agreement with H2O Partners**
- V. **Quade Fury, Quay County Road Supervisor**
 - Presentation of **Road Update**
 - Presentation of **Blade Report**
- VI. **Samantha Salas, Quay County Finance Director**
 - Request Approval of **Payment Approval Report**



DOC #CM-00609

09/22/2025 12:31 PM Doc Type: COCOM

Fee (No Field Tag Finance Total Fees found)

Quay County, NM Veronica Manley - County Clerk, County



REGULAR SESSION-BOARD OF QUAY COUNTY COMMISSIONERS

September 8, 2025

9:00 A.M.

BE IT REMEMBERED THE HONORABLE BOARD OF QUAY COUNTY COMMISSIONERS met in regular session the 8th^h day September 2025 at 9:00 a.m. in the Quay County Commission Chambers, Tucumcari, New Mexico, for the purpose of taking care of any business that may come before them.

PRESENT & PRESIDING:

Jerri Rush, Chairwoman
Brian Fortner, Member
Dallas Dowell, Member
Veronica Manley, County Clerk
Daniel Zamora, County Manager

OTHERS PRESENT:

Samantha Salas, Quay County Finance Director
Lucas Bugg, Quay County Fire Marshall
Felicia Griggs, Quay County Administrative Assistant
Ron Warnick, Quay County Sun
Ben White, Bank of Tucumcari
Theresa Lafferty, Quay County Treasurer
Jefferson Byrd, Quay County Assessor
Jamie Luaders, Quay County Dispatch Director
Vicki Gutierrez, Dr Dan C Trigg Memorial Hospital Administrator
Mark Valenzuela, Quay County Bond Advisor
Connie Loveland, Tucumcari Main Street Director
Bill Kardokus, Quay County Emergency Manager

VIA ZOOM:

Luis Carrasco, Quay County Bond Attorney

Chairwoman Rush called the meeting to order and led the Pledge of Allegiance.

A MOTION was made by Dallas Dowell SECONDED by Brian Fortner to approve August 18, 2025 regular session minutes. MOTION carried with Rush voting "aye", Dowell voting "aye" and Fortner voting "aye".

PUBLIC COMMENTS: Connie Loveland, Tucumcari Main Street Director informed the Commissioners and the public of the upcoming event Fired Up will be held Saturday September 13, 2025 at the Train Depot.

NEW BUSINESS:

Luis Carrasco, Quay County Bond Attorney requested approval for Ordinance No. 60; Authorizing Bonds for Construction of a hospital. A MOTION was made by Brian Fortner, SECONDED by Dallas Dowell to approve ordinance. MOTION carried with Rush voting "aye", Fortner voting "aye" and Dowell voting "aye". Copy Attached.

Jamie Luaders, TQRECC Director requested approval of Ordinance No. 59. Authorizing a loan for the new Dispatch Center and supporting documents. A MOTION was made by Brian Fortner, SECONDED by Dallas Dowell to approve ordinance. MOTION carried with Rush voting "aye", Fortner voting "aye" and Dowell voting "aye". A copy is attached.

Jefferson Byrd, Quay County Assessor, requested approval of the New Tax Rate. A MOTION was made by Dallas Dowell SECONDED by Brian Fortner to approve rates. MOTION carried with Rush voting "aye", Dowell voting "aye" and Fortner voting "aye". A copy is attached

Bill Kardokus, Quay County Emergency Manager requested approval of Agreement with H2O Partners. A MOTION was made by Brian Fortner, SECONDED by Dallas Dowell to approve agreement. MOTION carried with Rush voting "aye", Fortner voting "aye" and Dowell voting "aye". Copy Attached.

Blade report was distributed. Copy Attached

Daniel Zamora, Quay County Manager presented the road department update:

- Crews are repairing roads due to rain.

Samantha Salas, Quay County Finance Director, presented the Accounts Payable. A MOTION was made by Dallas Dowell, SECONDED by Brian Fortner to approve the Accounts Payable Report. MOTION carried with Rush voting "aye", Dowell voting "aye" and Fortner voting "aye".

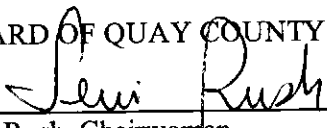
Daniel Zamora, Quay County Manager presented the following items for the Managers Report.

- NMFA Board approved the Hospital Loan Thursday, September 4th. We still have the option of exploring private options for funding. Zamora believes this will allow a little flexibility. Zamora said it would be a good idea to have a meeting with our State Legislators during the session to see if there is possibility of additional funding.

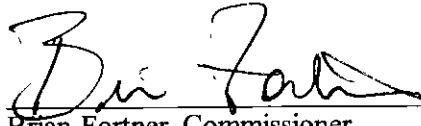
There being no further business, a MOTION was made by Brian Fortner SECONDED by Dallas Dowell to adjourn. MOTION carried with Rush voting "aye", Fortner voting "aye" and Dowell voting "aye". Time noted 9:37 a.m.

Respectfully submitted by Veronica Manley, County Clerk.

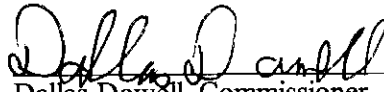
BOARD OF QUAY COUNTY COMMISSIONERS


Jerri Rush, Chairwoman



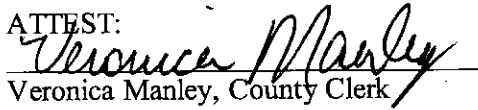


Brian Fortner, Commissioner



Dallas Dowell, Commissioner

ATTEST:



Veronica Manley, County Clerk



**QUAY COUNTY, NEW MEXICO
BOARD OF COUNTY COMMISSIONERS
ORDINANCE NO. 60**

AN ORDINANCE AMENDING AND RESTATING ORDINANCE NO. 58, WHICH AUTHORIZED THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT BY AND BETWEEN QUAY COUNTY, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY (THE "FINANCE AUTHORITY"), AND AN INTERCEPT AGREEMENT BETWEEN THE GOVERNMENTAL UNIT AND THE FINANCE AUTHORITY, OR THE ISSUANCE AND DELIVERY OF PUBLICLY-SOLD GROSS RECEIPTS TAX REVENUE BONDS OR OTHER NEGOTIATED OR PRIVATELY PLACED INSTRUMENTS ISSUED BY THE GOVERNMENTAL UNIT, EVIDENCING THE SPECIAL LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY THE PRINCIPAL AMOUNT OF THE LOAN OR OTHER OBLIGATIONS OF UP TO \$21,600,000, TOGETHER WITH INTEREST THEREON, FOR THE PURPOSE OF FINANCING CAPITAL IMPROVEMENTS FOR USE BY THE GOVERNMENTAL UNIT, FUNDING A LOAN AGREEMENT RESERVE ACCOUNT; DELEGATING AUTHORITY FOR SETTING THE FINAL TERMS FOR THE LOAN OR OTHER OBLIGATIONS AND DELIVERING THE LOAN AGREEMENT AND SETTING LOAN AGREEMENT PAYMENT DATES, PRICE, INTEREST RATES, INTEREST PERIODS, REDEMPTION PROVISIONS, IF ANY, AND OTHER PROCEDURES RELATED TO THE LOAN AGREEMENT OR OTHER OBLIGATIONS; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT OR OTHER OBLIGATIONS SOLELY FROM THE DISTRIBUTIONS OF COUNTY LOCAL HOSPITAL GROSS RECEIPTS TAX AND COUNTY GROSS RECEIPTS TAX REVENUES RECEIVED BY THE GOVERNMENTAL UNIT PURSUANT TO NMSA 1978, SECTIONS 7-20C-2 (2007, AS REPEALED AND MODIFIED) AND 7-20E-9 (2020, AS REPEALED AND MODIFIED) AND DISTRIBUTED BY THE NEW MEXICO TAXATION AND REVENUE DEPARTMENT PURSUANT TO NMSA 1978, SECTIONS 7-1-6.1 (2007), 7-1-6.13 (2024) AND 7-1-6.15 (2025); PROVIDING FOR THE DISTRIBUTION OF COUNTY LOCAL HOSPITAL GROSS RECEIPTS AND COUNTY GROSS RECEIPTS TAX REVENUES FROM THE NEW MEXICO TAXATION AND REVENUE DEPARTMENT TO BE DIRECTED TO THE FINANCE AUTHORITY OR ITS ASSIGNS, IF APPLICABLE, FOR THE PAYMENT OF PRINCIPAL AND INTEREST DUE ON THE LOAN AGREEMENT PURSUANT TO AN INTERCEPT AGREEMENT BETWEEN THE GOVERNMENTAL UNIT AND THE FINANCE AUTHORITY; APPROVING THE FORM AND TERMS OF, AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT; SETTING THE MAXIMUM INTEREST RATE OF THE LOAN OR OTHER OBLIGATIONS; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTIONS INCONSISTENT

WITH THIS AMENDED AND RESTATED ORDINANCE; AND
AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION
WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT
OR OTHER OBLIGATIONS AND THE INTERCEPT AGREEMENT.

Capitalized terms used in the following recitals have the same meaning as defined in
Section 1 of this Ordinance, unless the context requires otherwise.

RECITALS:

WHEREAS, Quay County, New Mexico (the "Governmental Unit" or "County") is a
legally and regularly created, established, organized and existing political subdivision of the
State of New Mexico (the "State") created pursuant to NMSA 1978, Section 4-20-1 (1923);
and

WHEREAS, pursuant to NMSA 1978, Sections 4-62-1 to -10 (1992, as amended
through 2019), the Governmental Unit is authorized to issue gross receipts tax revenue bonds
and loan agreements for any county purpose and to pledge the County's local option gross
receipts tax revenues for payment of principal and interest due in connection with, and other
expenses related to, such gross receipts tax revenue bonds and loan agreements, or for any
area of county government services; and

WHEREAS, NMSA 1978, Section 4-62-1.1(A) (2025) clarifies that gross receipts tax
revenue bonds include "any obligation of a county issued under Chapter 4, Article 62 NMSA
1978, whether designated as a bond, note, loan, warrant, debenture, lease-purchase agreement
or other instrument evidencing an obligation of a county to make payments;" and

WHEREAS, NMSA 1978, Section 4-62-3(F) (1995) provides that gross receipts tax
revenue bonds and loan agreements may be sold at public or negotiated sale; and

WHEREAS, the Governmental Unit wishes to construct a new hospital to replace its
existing hospital facility located within the boundaries of Quay County for the benefit of the
Governmental Unit and its residents (the "Project"); and

WHEREAS, On July 14, 2025, the Governing Body approved Ordinance No. 58 (the
"Original Ordinance"), which, among other things, authorized the execution and delivery of a
loan agreement and an intercept agreement by and between the Governmental Unit and the
Finance Authority, or the issuance and delivery of publicly-sold gross receipts tax revenue
bonds or other negotiated or privately placed instruments for the purpose of financing the
Project; and

WHEREAS, following the Governing Body's adoption of the Original Ordinance, the
Finance Authority requested that the initial principal and interest payments due under the
proposed loan agreement between the Governmental Unit and the Finance Authority be
scheduled on December 15, 2025, and for a final Loan Agreement Payment date not to exceed
December 15, 2054 (collectively, the Loan Payment Date Amendments"), rather than the due
dates for such payments specified in the Original Ordinance; and

WHEREAS, the Governing Body is amenable to the Loan Payment Date Amendments, as requested by the Finance Authority, and intends to proceed with the execution and delivery of a loan agreement and an intercept agreement by and between the Governmental Unit and the Finance Authority for the purpose of financing the Project which reflect the Loan Payment Date Amendments; and

WHEREAS, in order to effectuate the Loan Payment Date Amendments, the Governing Body desires to amend and restate the Original Ordinance through the adoption of this Ordinance, which incorporates the Loan Payment Date Amendments, as requested by the Finance Authority and set forth in Sections 3(A)(ii) and 6(B) below; and

WHEREAS, the Governmental Unit has determined, and hereby determines, that the Project may be partially financed with amounts borrowed under the Loan Agreement, or through a public or negotiated sale of gross receipts tax revenue bonds or other instruments, and that it is in the best interest of the Governmental Unit and its residents that the Loan Agreement and Intercept Agreement be executed and delivered and that the financing of the Project take place by executing and delivering the Loan Agreement and the Intercept Agreement to the Finance Authority, or through a public sale of gross receipts tax revenue bonds or a negotiated sale of other instruments; and

WHEREAS, the Governmental Unit wishes to pledge the Local Hospital Gross Receipts Tax and County Gross Receipts Tax Revenues, defined below, to the repayment of the Loan Agreement Payments due under the Loan Agreement, or to the repayment of publicly-sold gross receipts tax revenue bonds or a negotiated sale of other instruments; and

WHEREAS, the Governing Body of the Governmental Unit has determined pursuant to the Act that it may lawfully pledge the Pledged Revenues for the payment of amounts due under the Loan Agreement, or for the repayment of publicly-sold gross receipts tax revenue bonds or the negotiated sale of other instruments; and

WHEREAS, other than as described in the Term Sheet, the Pledged Revenues have not heretofore been pledged to secure the payment of any obligation which is currently outstanding; and

WHEREAS, the Loan, or any gross receipts tax revenue bonds or other instruments issued by the County to finance the Project, shall be special limited obligations of the Governmental Unit, payable solely from the Pledged Revenues, and shall not constitute general obligations of the Governmental Unit or debts or pledges of the full faith and credit of the Governmental Unit or the State; and

WHEREAS, the Governing Body of the Governmental Unit hereby finds and determines that it is in the best interests of the Governmental Unit to enter into the Loan Agreement and Intercept Agreement hereinafter authorized, with the Finance Authority, or to issue gross receipts tax revenue bonds or negotiate a sale of other instruments, for the purposes stated, and to delegate to the Pricing Officer (hereinafter defined and designated) the authority to act on behalf of the Governmental Unit in finalizing and delivering the Loan Agreement and the Intercept Agreement, or gross receipts tax revenue bonds or other instruments, and setting the payment dates, price, interest rates, interest payment periods and

any other parameter included in NMSA 1978, Section 6-14-10.2(C) (2017) and other procedures relating thereto, as hereinafter specified, with such information and terms to be included in a pricing certificate (the "Pricing Certificate") to be executed by the Pricing Officer, all in accordance with the provisions of NMSA 1978, Section 6-14-10.2, as amended; and

WHEREAS, the Governing Body of the Governmental Unit desires to provide that distributions of the Pledged Revenues may be redirected to the Finance Authority or its assigns pursuant to an Intercept Agreement between the Governmental Unit and the Finance Authority for the payment of amounts due under the Loan Agreement, if the Governmental Unit elects to finance the Project through a negotiated sale or private placement of the Loan Agreement with the Finance Authority; and

WHEREAS, other than the Pledged Revenues, no tax revenues collected by the Governmental Unit shall be pledged to the Loan Agreement or any gross receipts tax revenue bonds or other instruments issued by the County to finance the Project; and

WHEREAS, there have been presented to the Governing Body of the Governmental Unit and there presently are on file with the County Clerk, this Ordinance and the forms of the Loan Agreement and the Intercept Agreement, which are incorporated by reference and considered to be a part hereof; and

WHEREAS, the Governing Body of the Governmental Unit hereby determines that the Project to be financed by the Loan (or any gross receipts tax revenue bonds or other instruments issued by the County to finance the Project) is to be used for governmental purposes of the Governmental Unit and will not be used for purposes which would cause the Loan Agreement (or any gross receipts tax revenue bonds or other instruments issued by the County to finance the Project) to be deemed a "private activity bond," as defined by the Internal Revenue Code of 1986, as amended; and

WHEREAS, to the extent that the County ultimately elects to proceed with financing the Project by entering into the Loan Agreement and the Intercept Agreement with the Finance Authority, the Governing Body of the Governmental Unit intends by this Ordinance to authorize the execution and delivery of the Loan Agreement and the Intercept Agreement in the amount and for the purposes set forth herein; and

WHEREAS, all required authorizations, consents and approvals in connection with (i) the use and pledge of the Pledged Revenues to the Finance Authority (or its assigns) for the payment of the amounts due under the Loan Agreement, (ii) if the County elects not to proceed with financing the Project by entering into the Loan Agreement and the Intercept Agreement with the Finance Authority, the use and pledge of the Pledged Revenues for the payment of the amounts due under any gross receipts tax revenue bonds or other instruments issued by the County to finance the Project; (iii) the use of the proceeds of the Loan Agreement to finance the Project; (iv) if the County elects not to proceed with financing the Project by entering into the Loan Agreement and the Intercept Agreement with the Finance Authority, the use of the proceeds of any gross receipts tax revenue bonds or other instruments issued by the County to finance the Project; (v) the authorization, execution and delivery of the Loan Agreement and the Intercept Agreement which are required to have been

obtained by the date of this Ordinance, have been obtained or are reasonably expected to be obtained; and (vi) if the County elects not to proceed with the financing the Project by entering into the Loan Agreement and the Intercept Agreement with the Finance Authority, the authorization, execution and delivery of any gross receipts tax revenue bonds or other instruments issued by the County to finance the Project which are required to have been obtained by the date of this Ordinance, have been obtained or are reasonably expected to be obtained.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF QUAY COUNTY, NEW MEXICO:

SECTION 1. DEFINITIONS. As used in this Ordinance, the following capitalized terms shall, for all purposes, have the meanings specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined):

“Act” means the general laws of the State, NMSA 1978, Sections 4-62-1 to -10 (1992, as amended through 2019), 7-1-6.1 (2007), 7-1-6.13 (2025), 7-1-6.15 (2021), 7-20-3 (1983, recompiled as NMSA 1978, Section 7-20E-9 by 1993 N.M. Laws, ch. 354, §9), 7-20E-9 (1993, as repealed and modified by 2019 N.M. Laws, ch. 274, § 16 and 2020 N.M. Laws, ch. 80, § 13), 7-20C-3 (2007, as repealed and modified by 2019 N.M. Laws, ch. 274, § 16 and 2020 N.M. Laws, ch. 80, § 13), and enactments of the Governing Body relating to the Loan Agreement and the Intercept Agreement, including this Ordinance.

“Aggregate Annual Debt Service Requirement” means the total principal and interest payments due and payable pursuant to the Loan Agreement and on all Parity Obligations, if any, secured by a pledge of the Pledged Revenues for any one Fiscal Year.

“Authorized Officers” means the members of the Governing Body, the Chairman or Chairwoman of the Governing Body, the County Clerk or Deputy County Clerk, the County Treasurer or Deputy County Treasurer of the Governmental Unit.

“Bonds” means public project revolving fund revenue bonds, if any, issued hereafter by the Finance Authority and specifically related to the Loan Agreement and the Loan Agreement Payments.

“Closing Date” means the date of execution, delivery and funding of the Loan Agreement.

“Completion Date” means the date of final payment of the cost of the Project.

“County Gross Receipts Tax Revenues” means the revenues from the imposition of the Governmental Unit’s three-eighths of one percent (0.375%) County Gross Receipts Tax imposed pursuant to NMSA 1978, Section 7-20E-9 (formerly NMSA 1978, Section 7-20-3 (1983)) (1993, as repealed and modified by 2019 N.M. Laws, ch. 274, § 16 and 2020 N.M. Laws, ch. 80, § 13) and Governmental Unit Ordinance No. 6, adopted on June 2, 1987, with an effective date of January 1, 1988, and amendments to Governmental Unit Ordinance No. 6, adopted on September 14, 1987 and March 27, 2020.

"County Local Hospital Gross Receipts Tax Revenues" means the revenues from the imposition of the Governmental Unit's one-half of one percent (0.5%) Local Hospital Gross Receipts Tax imposed pursuant to NMSA 1978, Section 7-20C-3 (2007, as repealed and modified by 2019 N.M. Laws, ch. 274, § 16 and 2020 N.M. Laws, ch. 80, § 13) and Governmental Unit Ordinance No. 41, adopted July 23, 2007, with an effective date of January 1, 2008.

"Distributing State Agency" means the department or agency of the State as described on the Term Sheet authorized to distribute the Pledged Revenues on behalf of the Governmental Unit, if applicable.

"Expenses" means the cost of issuance of the Loan Agreement and the costs of issuance of Bonds, if any, and the periodic and regular fees and expenses incurred by the Finance Authority in administering the Loan Agreement, including legal fees.

"Finance Authority" means the New Mexico Finance Authority.

"Finance Authority Debt Service Account" means the debt service account in the name of the Governmental Unit and held by the Finance Authority to pay principal and interest on the Loan Agreement as the same become due.

"Fiscal Year" means the period commencing on July 1 in each calendar year and ending on the last day of June of the next succeeding calendar year, or any other twelve-month period which any appropriate authority may hereafter establish for the Governmental Unit as its fiscal year.

"Governing Body" means the Board of County Commissioners of the Governmental Unit, or any future successor governing body of the Governmental Unit.

"Governmental Unit" means Quay County, New Mexico.

"Herein," "hereby," "hereunder," "hereof," "hereinabove" and "hereafter" refer to this entire Ordinance and not solely to the particular section or paragraph of this Ordinance in which such word is used.

"Indenture" means, if applicable, the General Indenture of Trust and Pledge dated as of June 1, 1995, as amended and supplemented, by and between the Finance Authority and the Trustee, as successor trustee, or the Subordinated General Indenture of Trust and Pledge dated as of March 1, 2005, as supplemented, by and between the Finance Authority and the Trustee, as successor trustee, as determined by the Finance Authority pursuant to a Pledge Notification or Supplemental Indenture (as defined in the Indenture).

"Intercept Agreement" means, if applicable, the Intercept Agreement dated the Closing Date, between the Governmental Unit and the Finance Authority providing for the direct payment by the Distributing State Agency to the Finance Authority of the Pledged Revenues in amounts sufficient to pay Loan Agreement Payments, and any amendments or supplements to the Intercept Agreement.

"Loan" means the funds to be loaned to the Governmental Unit by the Finance

Authority pursuant to the Loan Agreement, or by any financial institution or underwriter who may purchase any publicly-sold gross receipts tax revenue bonds or other negotiated instruments issued by the County to finance the Project.

"Loan Agreement" means the Loan Agreement dated the Closing Date between the Finance Authority and the Governmental Unit, which provides for the financing of the Project and requires payments by or on behalf of the Governmental Unit to the Finance Authority and/or the Trustee, or any publicly-sold gross receipts tax revenue bonds or other instruments delivered pursuant to a negotiated sale, and issued by the County to finance the Project which provides for the financing of the Project and requires payments by or on behalf of the Governmental Unit to the purchaser of such bonds or instruments.

"Loan Agreement Payments" means, collectively, the Principal Component and the Interest Component (as such terms are defined in the Loan Agreement), if any, to be paid by the Governmental Unit as payment of the Loan Agreement as shown on Exhibit "B" to the Loan Agreement.

"Loan Agreement Principal Amount" means the original principal amount of the Loan Agreement as shown on Exhibit "A" to the Loan Agreement, if applicable.

"Loan Agreement Reserve Account" means the loan agreement reserve account established in the name of the Governmental Unit, funded from the proceeds of the Loan Agreement and administered by the Trustee pursuant to the Indenture, if applicable.

"Loan Agreement Reserve Requirement" means, with respect to the Loan, the amount shown as the Loan Agreement Reserve Account Deposit on Exhibit "A" to the Loan Agreement, if applicable.

"Ordinance" or "this Ordinance" means this ordinance amending and restating the Original Ordinance, and approving the Loan Agreement and the Intercept Agreement, if applicable, and pledging the Pledged Revenues to the payment of the Loan Agreement Payments as shown on the Term Sheet (if applicable).

"Parity Obligations" or "Parity Bonds" means the Loan Agreement and any other bonds or obligations now or hereafter issued or incurred payable from the Pledged Revenues and issued or incurred with a lien on the Pledged Revenues on a parity with the Loan Agreement.

"Pledged Revenues" means the three-eighths of one percent (0.375%) County Gross Receipts Tax Revenues imposed pursuant to NMSA 1978, Section 7-20E-9 (formerly NMSA 1978, Section 7-20-3 (1983)) (1993, as repealed and modified by 2019 N.M. Laws, ch. 274, § 16 and 2020 N.M. Laws, ch. 80, § 13) and Governmental Unit Ordinance No. 6, adopted on June 2, 1987, with an effective date of January 1, 1988, and amendments to Governmental Unit Ordinance No. 6, adopted on September 14, 1987 and March 27, 2020; and the one-half of one percent (0.5%) County Local Hospital Gross Receipts Tax Revenues imposed pursuant to NMSA 1978, Sections 7-20C-3 (2007, as repealed and modified by 2019 N.M. Laws, ch. 274, § 16 and 2020 N.M. Laws, ch. 80, § 13) and Governmental Unit Ordinance No. 41, adopted on July 23, 2007, with an effective date of January 1, 2008.

"Program Account" means the account in the name of the Governmental Unit established pursuant to the Indenture (if applicable) and held by the Trustee (if applicable) for the deposit of the net proceeds of the Loan Agreement for disbursement to the Governmental Unit for payment of the costs of the Project.

"Project" shall have the same meaning as such term is defined in the fifth paragraph of the Recitals of this Ordinance.

"State" means the State of New Mexico.

"Term Sheet" means Exhibit "A" to the Loan Agreement, if applicable.

"Trustee" means BOKF, NA, Albuquerque, New Mexico, or any successor trustee company, national or state banking association or financial institution at the time appointed Trustee by the Finance Authority, if applicable.

SECTION 2. RATIFICATION. All actions heretofore taken (not inconsistent with the provisions of this Ordinance) by the Governing Body and officers of the Governmental Unit directed toward the financing of the Project, the enactment of Governmental Unit Ordinance No. 6, and Governmental Unit Ordinance No. 41, and this Ordinance, including, without limitation, the Second Revised Notice of Meeting and Intent to Consider Adoption of Ordinance, which was published in the Eastern New Mexico News on August 20, 2025, and the execution and delivery of the Loan Agreement and the Intercept Agreement, be, and the same hereby are, ratified, approved and confirmed.

SECTION 3. AUTHORIZATION; TERMS OF THE LOAN AGREEMENT.

A. As authorized by NMSA 1978, Section 6-14-10.2, as amended, the Chair of the Governing Body, or in the event that she is unavailable at the time the Bonds to be issued by the Finance Authority are offered in the market, the County Manager (independently, each a "Pricing Officer"), is hereby authorized to act on behalf of the Governmental Unit in finalizing the terms and delivering the Loan Agreement and carrying out the other procedures specified in this Ordinance, including determining any or all of the parameters enumerated in NMSA 1978, Section 6-14-10.2(C), whether the Loan Agreement will be divided into separate tax-exempt and taxable Loan Agreements, the date of the Loan Agreement, the price at which the Loan Agreement will be issued, the years in which the Loan Agreement will mature, the principal amount of the Loan Agreement, the rate of interest of the Loan Agreement, the interest payment dates, the price and terms upon which the Loan Agreement shall be subject to redemption prior to maturity at the option of the Governmental Unit, if applicable, as well as any mandatory sinking fund redemption provisions, if applicable, and all other matters relating to the issuance and delivery of the Loan Agreement, including without limitation procuring municipal bond/loan insurance (if it is determined that such insurance would be financially desirable and advantageous), approving modifications to this Ordinance and executing such instruments, documents and agreements as may be necessary with respect thereto, and all other matters relating to the issuance, execution, and delivery of the Loan Agreement, all of which shall be specified in the Pricing Certificate, provided that:

(i) the aggregate original principal amount of the Loan Agreement shall not exceed \$21,600,000, provided that the aggregate principal amount of the Loan Agreement issued and delivered and any net premium received by the Governmental Unit from the sale of Bonds issued by the Finance Authority shall not exceed the allocation to (a) the purposes for which the Loan Agreement was approved by the Governmental Unit, and (ii) the costs of issuance of the Loan Agreement;

(ii) the date for the final Loan Agreement Payment shall not exceed December 15, 2054;

(iii) the maximum interest rate to be paid on any Loan Agreement Payment date shall not exceed 8.0% per annum;

(iv) the combined true interest cost of the Loan Agreement shall not exceed 8.0%;

(v) the price to be paid for any Loan Agreement shall not be less than 100% of the aggregate original principal amount thereof, plus accrued interest thereon from its date to its delivery, if any; and

(vi) the delegation made hereby shall expire if not exercised by the Pricing Officer after one hundred twenty (120) days from the date this Ordinance is adopted;

(vii) the Loan Agreement shall initially be registered in the name of the initial purchaser thereof, the Finance Authority, as set forth in the Pricing Certificate.

B. The Loan Agreement should be issued through a negotiated sale or placement to the Finance Authority. The Pricing Officer, acting for and on behalf of the Governmental Unit, is authorized to enter into and carry out a loan purchase agreement or other agreement for the Loan Agreement to be issued to the Finance Authority by negotiated sale or placement, at such price, with and subject to such terms as determined by the Pricing Officer pursuant to this Section 3. The Pricing Officer will set the date to determine the final terms and provisions of the Loan Agreement as provided in Section 3(A) ("Pricing Date") upon no less than five (5) business days' prior written notice of such Pricing Date to the Finance Authority.

C. Interest shall accrue and be paid on each Loan Agreement Payment date until the Loan Agreement's maturity from the later of delivery, or the most recent Loan Agreement Payment to which interest has been paid or provided for, at the rate or rates per annum hereinafter set forth. Such interest shall be payable on such dates as provided in the Pricing Certificate until maturity or prior redemption, if applicable, and shall be computed on the basis of a 360-day year of twelve 30-day months.

D. For the avoidance of doubt, the parameters set forth in this Section 3 shall be applicable to any publicly-sold gross receipts tax revenue bonds or other negotiated instruments issued by the County to finance the Project, but only to the extent that the County ultimately elects not to finance the Project by entering into the Loan Agreement and Intercept

Agreement with the Finance Authority. Further, if the County elects to finance the Project by issuing publicly-sold gross receipts tax revenue bonds or another negotiated instrument, the underwriter's discount for such bonds or instrument shall not exceed 2.0% of the aggregate principal amount thereof.

SECTION 4. AUTHORIZATION OF THE PROJECT, THE LOAN AGREEMENT, AND THE INTERCEPT AGREEMENT. The financing of the Project and the method of financing the Project through execution and delivery of the Loan Agreement and the Intercept Agreement, if applicable, are hereby authorized and ordered. The Project is for the benefit and use of the Governmental Unit.

SECTION 5. FINDINGS. The Governmental Unit hereby declares that it has considered all relevant information and data and hereby makes the following findings:

A. The Project is needed to meet the needs of the Governmental Unit and its residents, and the issuance and delivery of the Loan Agreement and the Intercept Agreement (if applicable) is necessary and advisable.

B. Moneys available and on hand for the Project from all sources other than the Loan are not sufficient to defray the costs of financing the Project.

C. The Pledged Revenues may lawfully be pledged to secure the payment of amounts due under the Loan Agreement.

D. It is economically feasible to defray, in whole or in part, the costs of the Project by the execution and delivery of the Loan Agreement and the Intercept Agreement (if applicable).

E. The Project and the execution and delivery of the Loan Agreement and the Intercept Agreement (if applicable) pursuant to the Act to provide funds for the financing of the Project are necessary and in the interest of the public health, safety and welfare of the residents of and the public served by the Governmental Unit.

F. The Governmental Unit will finance the Project, in whole or in part, with the net proceeds of the Loan.

G. Other than as described in the Term Sheet (if applicable), the Governmental Unit does not have any outstanding obligations payable from the Pledged Revenues which it has incurred or will incur prior to the initial execution and delivery of the Loan Agreement and the Intercept Agreement (if applicable).

H. The net effective interest rate on the Loan does not exceed twelve percent (12.0%) per annum, which is the maximum rate permitted by State law.

I. The Governmental Unit is current in the accumulation of all amounts which are required to have been accumulated in the Finance Authority Debt Service Account and Loan Agreement Reserve Account for all Parity Obligations, if any, listed on the Term Sheet.

J. Pursuant to NMSA 1978, Sections 7-1-6.13 (2024) and 7-1-6.15 (2025), the Governmental Unit receives the Pledged Revenues from the Distributing State Agency.

SECTION 6. LOAN AGREEMENT AND INTERCEPT AGREEMENT – AUTHORIZATION AND DETAIL.

A. AUTHORIZATION. This Ordinance has been adopted by the affirmative vote of two-thirds of all members of the Governing Body. For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the residents of the Governmental Unit and financing the Project, it is hereby declared necessary that the Governmental Unit, pursuant to the Act, pledge the Pledged Revenues and execute and deliver the Loan Agreement and Intercept Agreement (if applicable), evidencing a special, limited obligation of the Governmental Unit, to pay the Loan Agreement Principal Amount of up to \$21,600,000, plus interest thereon, and the pledge of the Pledged Revenues and the execution and delivery of the Loan Agreement and Intercept Agreement (if applicable) are hereby authorized. The Governmental Unit shall use the proceeds of the Loan to (i) finance the Project; (ii) fund the Loan Agreement Reserve Account, if any; and (iii) make a deposit to the Finance Authority Debt Service Account, or any alternative debt service account established in connection with the County's issuance of publicly-sold gross receipts tax revenue bonds or other negotiated instruments to finance the Project. The Project will be owned by the Governmental Unit.

B. DETAIL. The Loan Agreement and Intercept Agreement shall be in substantially the forms of the Loan Agreement and Intercept Agreement presented at the meeting of the Governing Body at which this Ordinance was adopted. The Loan shall be in an original aggregate principal amount of up to \$21,600,000, shall be payable in installments of principal due on December 15 of the years designated in Exhibit "B" to the Loan Agreement and bear interest payable on December 15 and June 15 of each year, beginning on December 15, 2025 at the rates designated in Exhibit "B" to the Loan Agreement. If the County elects not to finance the Project by entering into the Loan Agreement and Intercept Agreement with the Finance Authority, the bonds or instrument(s) evidencing the County's obligation to use the Pledged Revenues to repay such bonds or instruments shall be passed on and approved by the Governing Body of the Governmental Unit, through the adoption of a resolution or an ordinance, at a properly noticed open meeting.

SECTION 7. APPROVAL OF LOAN AGREEMENT AND INTERCEPT AGREEMENT. The forms of the Loan Agreement and the Intercept Agreement, as presented at the meeting of the Governing Body at which this Ordinance was adopted are hereby approved. The Authorized Officers are hereby individually authorized to execute, acknowledge and deliver the Loan Agreement and the Intercept Agreement, with such changes, insertions and omissions as may be approved by such individual Authorized Officers, and the County Clerk or Deputy County Clerk is hereby authorized to affix the seal of the Governmental Unit on the Loan Agreement and the Intercept Agreement and attest the same. The execution of the Loan Agreement and the Intercept Agreement by an Authorized Officer shall be conclusive evidence of such approval.

SECTION 8. SPECIAL LIMITED OBLIGATION. The Loan Agreement shall be

secured by the pledge of the Pledged Revenues as set forth in the Loan Agreement and shall be payable solely from the Pledged Revenues. The Loan Agreement, together with the other obligations of the Governmental Unit thereunder, shall be a special, limited obligation of the Governmental Unit, payable solely from the Pledged Revenues as provided in this Ordinance and the Loan Agreement and shall not constitute a general obligation of the Governmental Unit or the State, and the holders of the Loan Agreement may not look to any general or other fund of the Governmental Unit for payment of the obligations thereunder. Nothing contained in this Ordinance or in the Loan Agreement, or any other instruments, shall be construed as obligating the Governmental Unit (except with respect to the application of the Pledged Revenues), as incurring a pecuniary liability or a charge upon the general credit of the Governmental Unit or against its taxing power, nor shall a breach of any agreement contained in this Ordinance, the Loan Agreement, or any other instrument impose any pecuniary liability upon the Governmental Unit or any charge upon its general credit or against its taxing power. The Loan Agreement shall never constitute an indebtedness of the Governmental Unit within the meaning of any State constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Governmental Unit or a charge against its general credit or taxing power. Nothing herein shall prevent the Governmental Unit from applying other funds of the Governmental Unit legally available therefore to payments required by the Loan Agreement, in its sole and absolute discretion.

SECTION 9. DISPOSITION OF PROCEEDS: COMPLETION OF FINANCING OF THE PROJECT.

A. PROGRAM ACCOUNT, FINANCE AUTHORITY DEBT SERVICE ACCOUNT AND LOAN AGREEMENT RESERVE ACCOUNT. The Governmental Unit hereby consents to the creation of the Finance Authority Debt Service Account to be held and maintained by the Finance Authority and to the Program Account and the Loan Agreement Reserve Account to be held and maintained by the Trustee pursuant to the Indenture, each in connection with the Loan. The Governmental Unit hereby approves (i) the deposit of a portion of the proceeds of the Loan Agreement in the Program Account and the Finance Authority Debt Service Account; and (ii) the deposit of funds in the amount of the Loan Agreement Reserve Requirement in the Loan Agreement Reserve Account, all as set forth in Exhibit "A" to the Loan Agreement. The proceeds derived from the execution and delivery of the Loan Agreement shall be deposited promptly upon the receipt thereof in the Finance Authority Debt Service Account, the Program Account and the Loan Agreement Reserve Account, all as provided in the Loan Agreement and the Indenture. Until the Completion Date, the money in the Program Account shall be used and paid out solely for the purpose of financing the Project in compliance with applicable law and the provisions of the Loan Agreement and the Indenture. The Governmental Unit will complete the Project with all due diligence. For the avoidance of doubt, this Section 9 shall apply only to the extent that the County elects to finance the Project by entering into the Loan Agreement and Intercept Agreement with the Finance Authority.

B. COMPLETION OF THE PROJECT. Upon the Completion Date, the Governmental Unit shall execute and send to the Finance Authority a certificate stating that financing of and payment for the Project have been completed, if applicable. As soon as practicable, and, in any event, not more than sixty (60) days from the Completion Date, any balance remaining in the Program Account shall be transferred and deposited into the Finance

Authority Debt Service Account, as provided in the Loan Agreement and the Indenture, if applicable.

C. FINANCE AUTHORITY AND TRUSTEE NOT RESPONSIBLE. The Finance Authority and the Trustee shall in no manner be responsible for the application or disposal by the Governmental Unit or by its officers of the funds derived from the Loan Agreement or of any other funds herein designated.

SECTION 10. DEPOSIT OF PLEDGED REVENUES, DISTRIBUTIONS OF THE PLEDGED REVENUES AND FLOW OF FUNDS.

A. DEPOSIT OF PLEDGED REVENUES. Pursuant to the Intercept Agreement, if applicable, the Pledged Revenues shall be paid by the Distributing State Agency to the Finance Authority, pursuant to the Intercept Agreement, for deposit in the Finance Authority Debt Service Account and remittance by the Finance Authority to the Trustee in an amount sufficient to pay principal, interest, premium, if any, and other amounts due under the Loan Agreement, including sufficient Pledged Revenues in the Loan Agreement Reserve Account to maintain the Loan Agreement Reserve Requirement. For the avoidance of doubt, this Section 10 shall apply only to the extent that the County elects to finance the Project by entering into the Loan Agreement and Intercept Agreement with the Finance Authority.

B. TERMINATION ON DEPOSITS TO MATURITY. No payment shall be made into the Finance Authority Debt Service Account if the amounts in the Finance Authority Debt Service Account and Loan Agreement Reserve Account total a sum at least equal to the entire aggregate amount to become due as to principal, interest on, and any other amounts due under the Loan Agreement, in which case moneys in such account in an amount at least equal to such principal and interest requirements shall be used solely to pay such obligations as the same become due, and any moneys in excess thereof in such accounts shall be transferred to the Governmental Unit and used as provided below.

C. USE OF SURPLUS REVENUES. After making all the payments hereinabove required to be made by this Section 10 and any payments required by outstanding Parity Obligations, if any, any moneys remaining in the Finance Authority Debt Service Account shall be transferred to the Governmental Unit on a timely basis and shall be applied to any other lawful purpose.

SECTION 11. LIEN ON PLEDGED REVENUES. Pursuant to the Loan Agreement and the Intercept Agreement (if applicable), the Pledged Revenues are hereby authorized to be pledged to, and are hereby pledged, and the Governmental Unit grants a security interest therein for, the payment of the principal, interest, and any other amounts due under the Loan Agreement, subject to the uses hereof permitted by and the priorities set forth in this Ordinance. The Loan Agreement constitutes an irrevocable and first lien, but not necessarily an exclusive first lien, on the Governmental Unit's Pledged Revenues as set forth herein and therein and the Governmental Unit shall not create a lien on the Governmental Unit's Pledged Revenues superior to that of the Loan Agreement.

SECTION 12. AUTHORIZED OFFICERS. The Authorized Officers are hereby individually authorized and directed to execute and deliver any and all papers, instruments, opinions, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Ordinance, the Loan Agreement, the Intercept Agreement (if applicable) and all other transactions contemplated hereby and thereby. Authorized Officers are hereby individually authorized to do all acts and things required of them by this Ordinance, the Loan Agreement and the Intercept Agreement (if applicable) for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Ordinance, the Loan Agreement and the Intercept Agreement (if applicable), including but not limited to, the execution and delivery of closing documents in connection with the execution and delivery of the Loan Agreement and the publication of the summary of this Ordinance set out in Section 18 of this Ordinance (with such changes, additions and deletions as may be necessary).

SECTION 13. AMENDMENT OF ORDINANCE. Prior to the date of the initial delivery of the Loan Agreement to the Finance Authority, or the initial delivery of gross receipts tax revenue bonds or other instruments issued by the County to finance the Project, as applicable, the provisions of this Ordinance may be supplemented or amended by ordinance or resolution adopted by the Governing Body with respect to any changes which are not inconsistent with the substantive provisions of this Ordinance. This Ordinance may be amended without receipt by the Governmental Unit of additional consideration, but only with the prior written consent of the Finance Authority or, if applicable, the purchaser of any gross receipts tax revenue bonds or other instruments issued by the County to finance the Project.

SECTION 14. ORDINANCE IRREPEALABLE. After the Loan Agreement and the Intercept Agreement (if applicable) have been executed and delivered, this Ordinance shall be and remain irrevocable until all obligations due under the Loan Agreement shall be fully paid, canceled and discharged, as herein provided.

SECTION 15. SEVERABILITY CLAUSE. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 16. REPEALER CLAUSE. All bylaws, orders, resolutions, and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

SECTION 17. EFFECTIVE DATE. Upon due adoption of this Ordinance, it shall be recorded in the book of the Governmental Unit kept for that purpose, authenticated by the signatures of the members of the Governing Body and the County Clerk or Deputy County Clerk, and the title and general summary of the subject matter contained in this Ordinance (set out in Section 18 below) shall be published in a newspaper which maintains an office and is of general circulation in the Governmental Unit, and said Ordinance shall be in full force and effect thereafter, in accordance with law.

SECTION 18. GENERAL SUMMARY FOR PUBLICATION. Pursuant to the

general laws of the State, the title and a general summary of the subject matter contained in this Ordinance shall be published in substantially the following form:

(Form of Summary of Ordinance for Publication)

Notice is hereby given of the title and of a general summary of the subject matter contained in Ordinance No. 60, duly adopted and approved by the Governing Body of Quay County, New Mexico, on September 8, 2025. A complete copy of the Ordinance is available for public inspection during the normal and regular business hours of the County Clerk, located at 300 S. Third Street, Tucumcari, New Mexico.

The title of the Ordinance is:

AN ORDINANCE AMENDING AND RESTATING ORDINANCE NO. 58, WHICH AUTHORIZED THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT BY AND BETWEEN QUAY COUNTY, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY (THE "FINANCE AUTHORITY"), AND AN INTERCEPT AGREEMENT BETWEEN THE GOVERNMENTAL UNIT AND THE FINANCE AUTHORITY, OR THE ISSUANCE AND DELIVERY OF PUBLICLY-SOLD GROSS RECEIPTS TAX REVENUE BONDS OR OTHER NEGOTIATED OR PRIVATELY PLACED INSTRUMENTS ISSUED BY THE GOVERNMENTAL UNIT, EVIDENCING THE SPECIAL LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY THE PRINCIPAL AMOUNT OF THE LOAN OR OTHER OBLIGATIONS OF UP TO \$21,600,000, TOGETHER WITH INTEREST THEREON, FOR THE PURPOSE OF FINANCING CAPITAL IMPROVEMENTS FOR USE BY THE GOVERNMENTAL UNIT, FUNDING A LOAN AGREEMENT RESERVE ACCOUNT; DELEGATING AUTHORITY FOR SETTING THE FINAL TERMS FOR THE LOAN OR OTHER OBLIGATIONS AND DELIVERING THE LOAN AGREEMENT AND SETTING LOAN AGREEMENT PAYMENT DATES, PRICE, INTEREST RATES, INTEREST PERIODS, REDEMPTION PROVISIONS, IF ANY, AND OTHER PROCEDURES RELATED TO THE LOAN AGREEMENT OR OTHER OBLIGATIONS; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT OR OTHER OBLIGATIONS SOLELY FROM THE DISTRIBUTIONS OF COUNTY LOCAL HOSPITAL GROSS RECEIPTS TAX AND COUNTY GROSS RECEIPTS TAX REVENUES RECEIVED BY THE GOVERNMENTAL UNIT PURSUANT TO NMSA 1978, SECTIONS 7-20C-2 (2007, AS REPEALED AND MODIFIED) AND 7-20E-9 (2020, AS REPEALED AND MODIFIED) AND DISTRIBUTED BY THE NEW MEXICO TAXATION AND REVENUE DEPARTMENT PURSUANT TO NMSA 1978, SECTIONS 7-1-6.1 (2007), 7-1-6.13 (2024) AND 7-1-6.15 (2025); PROVIDING FOR THE DISTRIBUTION OF COUNTY LOCAL HOSPITAL GROSS RECEIPTS AND COUNTY GROSS RECEIPTS TAX REVENUES FROM THE NEW MEXICO TAXATION AND REVENUE

DEPARTMENT TO BE DIRECTED TO THE FINANCE AUTHORITY OR ITS ASSIGNS, IF APPLICABLE, FOR THE PAYMENT OF PRINCIPAL AND INTEREST DUE ON THE LOAN AGREEMENT PURSUANT TO AN INTERCEPT AGREEMENT BETWEEN THE GOVERNMENTAL UNIT AND THE FINANCE AUTHORITY; APPROVING THE FORM AND TERMS OF, AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT; SETTING THE MAXIMUM INTEREST RATE OF THE LOAN OR OTHER OBLIGATIONS; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTIONS INCONSISTENT WITH THIS AMENDED AND RESTATED ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT OR OTHER OBLIGATIONS AND THE INTERCEPT AGREEMENT.

A general summary of the subject matter of the Ordinance is contained in its title. This notice constitutes compliance with NMSA 1978, Sections 4-37-9 (1997) and 6-14-6 (1975).

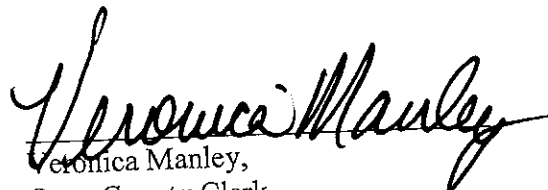
(End of Form of Summary for Publication)

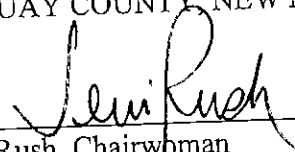
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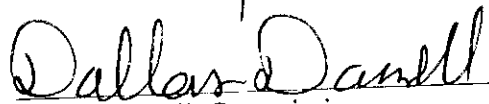
PASSED, APPROVED AND ADOPTED this 8th day of September, 2025.

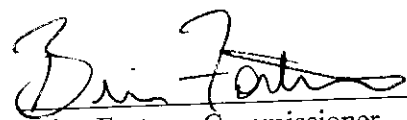
BOARD OF COUNTY COMMISSIONERS
OF QUAY COUNTY, NEW MEXICO

ATTEST:


Veronica Manley,
Quay County Clerk


Jerri Rush, Chairwoman


Dallas Dowell, Commissioner


Brian Fortner, Commissioner



Commissioner Brian Fortner then moved that the Ordinance as filed with the County Clerk be passed and adopted. Commissioner Dallas Dowell seconded the motion.

The question being upon the passage and adoption of said Ordinance, the motion was voted upon with the following result:

Those Voting Yea:

Chairwoman Jerri Rush
Commissioner Dallas Dowell
Commissioner Brian Fortner

Those Voting Nay:

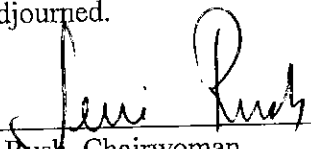
None

Those Absent:

None

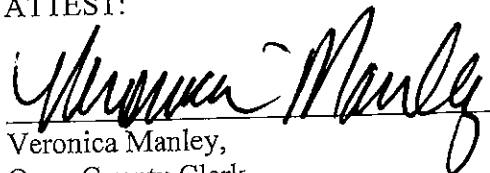
Three (3) Governing Body members having voted in favor of the motion, the Chairwoman declared said motion carried and the Ordinance duly passed and adopted, whereupon the Chairwoman and County Clerk signed the Ordinance upon the records of the minutes of the Commission.

After consideration of matters not relating to the Ordinance, the meeting, on motion duly made, seconded and unanimously carried, was adjourned.



Jerri Rush, Chairwoman
Board of County Commissioners
Quay County, New Mexico

ATTEST:



Veronica Manley,
Quay County Clerk



STATE OF NEW MEXICO)
) ss.
COUNTY OF QUAY)

I, Veronica Manley, the County Clerk of Quay County, New Mexico (the "County"), do hereby certify:

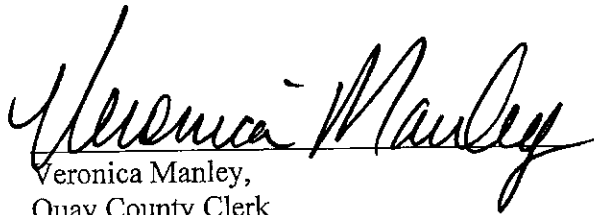
1. The foregoing pages are a true, correct, and complete copy of the record of the proceedings of the Board of County Commissioners (the "Board") of the County, constituting the governing board of the County, had and taken at a duly called regular, open meeting of the Board, held in the Commission Chambers, First Floor of the Quay County Courthouse, located at 300 South Third Street, Tucumcari, New Mexico, being the regular meeting place of the Board, on Monday, September 8, 2025, beginning at 9:00 a.m., insofar as the same relate to the proposed loan agreement and intercept agreement, a copy of which is set forth in the official records of the proceedings of the County kept in my office. None of the action taken has been rescinded, repealed or modified.

2. Said proceedings were duly had and taken as therein shown, the meeting therein was duly held, and the persons therein named were present at said meeting, as therein shown.

3. Notice of such meeting was given in compliance with the permitted methods of giving notice of meetings of the Board as required by the open meetings standards then in effect, i.e., the County's Open Meetings Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of Quay County, New Mexico, this 8th day of September, 2025.

(SEAL)


Veronica Manley,
Quay County Clerk

[\$21,630,000]

LOAN AGREEMENT

dated

October 14, 2025

by and between the

NEW MEXICO FINANCE AUTHORITY

and

QUAY COUNTY, NEW MEXICO

Certain interests of the New Mexico Finance Authority under this Loan Agreement may be assigned to BOKF, NA, as trustee under an Indenture, as defined in Article I of this Loan Agreement.

LOAN AGREEMENT

THIS LOAN AGREEMENT dated October 14, 2025 is entered into by and between the NEW MEXICO FINANCE AUTHORITY (the "Finance Authority"), and QUAY COUNTY, NEW MEXICO (the "Governmental Unit"), a political subdivision duly organized and existing under the laws of the State of New Mexico (the "State").

W I T N E S S E T H:

WHEREAS, the Finance Authority is a public body politic and corporate constituting a governmental instrumentality, separate and apart from the State, duly organized and created under and pursuant to the laws of the State, particularly Section 6-21-1 et seq., NMSA 1978, as amended (the "Finance Authority Act"); and

WHEREAS, one of the purposes of the Finance Authority Act is to implement a program to permit qualified entities, such as the Governmental Unit, to enter into agreements with the Finance Authority to facilitate financing of public projects; and

WHEREAS, the Governmental Unit is a political subdivision duly organized and existing under and pursuant to the laws of the State and is a qualified entity under the Finance Authority Act; and

WHEREAS, the Governing Body of the Governmental Unit has determined that it is in the best interests of the Governmental Unit and its residents that the Governmental Unit enter into this Loan Agreement with the Finance Authority and accept a loan from the Finance Authority to finance the costs of constructing a new hospital to replace its existing hospital facility located within the boundaries of Quay County for the benefit of the Governmental Unit and its residents as more fully described on the Term Sheet attached hereto as Exhibit "A"; and

WHEREAS, the Governmental Unit is authorized by the Act to impose by ordinance a County Gross Receipts Tax and County Local Hospital Gross Receipts Tax pursuant to Section 7-20E-9, NMSA 1978, as amended; and

WHEREAS, pursuant to the Act, the Governmental Unit has by the Tax Ordinances imposed the three-eighths of one percent (0.375%) County Gross Receipts Tax and the one-half of one percent (0.5%) County Local Hospital Gross Receipts Tax on the gross receipts of all persons engaging in business within the Governmental Unit which provides for the Pledged Revenues; and

WHEREAS, the three-eighths of one percent (0.375%) County Gross Receipts Tax imposed by Ordinance No. 6, as amended, is no longer identifiable as the first, second and third increments of County Gross Receipts Tax, and instead comprises three-eighths of one percent (0.375%) of the maximum rate of County Local Option Gross Receipts Tax that may be imposed under Section 7-20E-9, NMSA 1978, as amended, of one and three quarters percent (1.75%), which is pledged to the Loan; and

WHEREAS, the one-half of one percent (0.5%) County Local Hospital Gross Receipts Tax imposed by Ordinance No. 41 is no longer identifiable as the first, second, third and fourth

increments of County Local Hospital Gross Receipts Tax, and instead comprises one-half of one percent (0.5%) of the maximum rate of County Local Option Gross Receipts Tax that may be imposed under Section 7-20E-9, NMSA 1978, as amended, of one and three quarters percent (1.75%), which is pledged to the Loan; and

WHEREAS, the Act authorizes the Governmental Unit to use the Pledged Revenues to finance the Project and to enter into this Loan Agreement; and

WHEREAS, the Finance Authority has determined that the Project is important to the overall capital needs of the residents of the State and that the Project will directly enhance the health and safety of the residents of the Governmental Unit; and

WHEREAS, the Governmental Unit has entered into the Intercept Agreement by and between the Finance Authority and the Governmental Unit whereby the Pledged Revenues due to the Governmental Unit from the Distributing State Agency are intercepted by the Finance Authority, or the Trustee, as its assignee, to make payments due under this Loan Agreement; and

WHEREAS, the Finance Authority may assign and transfer this Loan Agreement to the Trustee pursuant to the Indenture; and

WHEREAS, except as described on the Term Sheet, the Pledged Revenues have not been pledged or hypothecated in any manner or for any purpose at the time of the execution and delivery of this Loan Agreement, and the Governmental Unit desires to pledge the Pledged Revenues toward the payment of this Loan Agreement; and

WHEREAS, the obligation of the Governmental Unit hereunder shall constitute a special, limited obligation of the Governmental Unit, limited to the Pledged Revenues, and shall not constitute a general obligation or other indebtedness of the Governmental Unit or a charge against the general credit or ad valorem taxing power of the Governmental Unit or the State; and

WHEREAS, the execution, performance and delivery of this Loan Agreement and the Intercept Agreement have been authorized, approved and directed by all necessary and appropriate action of the Governing Body pursuant to the Ordinance; and

WHEREAS, the execution and performance of this Loan Agreement and the Intercept Agreement have been authorized, approved and directed by all necessary and appropriate action of the Finance Authority.

NOW, THEREFORE, for and in consideration of the premises and the mutual promises and covenants herein contained, the parties hereto agree:

ARTICLE I DEFINITIONS

Capitalized terms defined in the foregoing recitals shall have the same meaning when used in this Loan Agreement unless the context clearly requires otherwise. Capitalized terms not defined in the recitals and defined in this Article I shall have the same meaning when used in this Loan Agreement including the foregoing recitals, unless the context clearly requires otherwise.

“Act” means the general laws of the State, including Sections 4-62-1 through 4-62-10 and Section 7-20E-9, NMSA 1978, as amended, and enactments of the Governing Body relating to this Loan Agreement and Intercept Agreement, including the Ordinance.

“Additional Payment Obligations” mean payments in addition to Loan Agreement Payments required by this Loan Agreement, including, without limitation, payments required to replenish the Loan Agreement Reserve Account and payments required pursuant to the provisions of Article IX and Article X hereof.

“Aggregate Annual Debt Service Requirement” means the total principal, interest, and premium payments, if any, due and payable pursuant to this Loan Agreement and on all Parity Obligations secured by a pledge of the Pledged Revenues for any one Fiscal Year.

“Authorized Officers” means, in the case of the Governmental Unit, the Chairman or Chairwoman of the Governing Body, the County Clerk or Deputy County Clerk, the County Treasurer or Deputy County Treasurer, and, in the case of the Finance Authority, the Chair, Vice-Chair and Secretary of the Board of Directors and the Chief Executive Officer or any other officer or employee of the Finance Authority designated in writing by an Authorized Officer.

“Blended Interest Rate” means the rate of interest on this Loan Agreement as shown on the Term Sheet.

“Bond Counsel” means nationally recognized bond counsel experienced in matters of municipal law, satisfactory to the Trustee and listed in the list of municipal bond attorneys, as published semiannually by The Bond Buyer’s Municipal Marketplace, or any successor publication.

“Bonds” means public project revolving fund revenue bonds, if any, issued hereafter by the Finance Authority to fund or reimburse this Loan Agreement.

“Closing Date” means the date of execution, delivery and funding of this Loan Agreement as shown on the Term Sheet.

“Code” means the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder.

“Distributing State Agency” means the department or agency of the State, as described on the Term Sheet, authorized to distribute the Pledged Revenues to or on behalf of the Governmental Unit.

“Event of Default” means one or more events of default as defined in Section 10.1 of this Loan Agreement.

“Expenses” means the costs of issuance of this Loan Agreement and the Bonds, if any, and periodic and regular fees and expenses incurred by the Finance Authority in administering this Loan Agreement, including legal fees.

“Finance Authority Debt Service Account” means the debt service account established in the name of the Governmental Unit within the Debt Service Fund, as defined in the Indenture, held and administered by the Finance Authority to pay principal and interest, if any, on this Loan Agreement as the same become due.

“Fiscal Year” means the period beginning on July 1 in each calendar year and ending on the last day of June of the next succeeding calendar year, or any other twelve-month period which any appropriate authority may hereafter establish for the Governmental Unit as its fiscal year.

“Governing Body” means the duly organized Board of County Commissioners of the Governmental Unit, and any successor governing body of the Governmental Unit.

“Indenture” means the General Indenture of Trust and Pledge dated as of June 1, 1995, as amended and supplemented, by and between the Finance Authority and the Trustee, as successor trustee, or the Subordinated General Indenture of Trust and Pledge dated as of March 1, 2005, as supplemented, by and between the Finance Authority and the Trustee, as successor trustee, as determined by the Finance Authority pursuant to a Pledge Notification or Supplemental Indenture (as defined in the Indenture).

“Independent Accountant” means: (i) an accountant employed by the State and under the supervision of the State Auditor; or (ii) any certified public accountant or firm of such accountants duly licensed to practice and practicing as such under the laws of the State, appointed and paid by the Governmental Unit who: (a) is, in fact, independent and not under the domination of the Governmental Unit; (b) does not have any substantial interest, direct or indirect, with the Governmental Unit; and (c) is not connected with the Governmental Unit as an officer or employee of the Governmental Unit, but who may be regularly retained to make annual or similar audits of the books or records of the Governmental Unit.

“Intercept Agreement” means the Intercept Agreement dated October 14, 2025, between the Governmental Unit and the Finance Authority providing for the direct payment by the Distributing State Agency to the Finance Authority of the Pledged Revenues in amounts sufficient to pay Loan Agreement Payments, and any amendments or supplements to the Intercept Agreement.

“Interest Component” means the portion of each Loan Agreement Payment paid as interest on this Loan Agreement as shown on Exhibit “B” hereto.

“Loan” means the funds in the Loan Agreement Principal Amount to be loaned to the Governmental Unit by the Finance Authority pursuant to this Loan Agreement.

“Loan Agreement” means this loan agreement and any amendments or supplements hereto, including the exhibits attached to this loan agreement.

“Loan Agreement Balance” means, as of any date of calculation, the Loan Agreement Principal Amount less the aggregate principal amount paid or prepaid pursuant to the provisions of this Loan Agreement.

“Loan Agreement Payment” means, collectively, the Principal Component and the Interest Component, if any, to be paid by the Governmental Unit as payment of this Loan Agreement as shown on Exhibit “B” hereto.

“Loan Agreement Payment Date” means each date a payment is due on this Loan Agreement as shown on Exhibit “B” hereto.

“Loan Agreement Principal Amount” means the original principal amount of this Loan Agreement as shown on the Term Sheet.

“Loan Agreement Reserve Account” means the loan agreement reserve account established in the name of the Governmental Unit funded from the proceeds of this Loan Agreement and administered by the Trustee pursuant to the Indenture.

“Loan Agreement Reserve Requirement” means, with respect to the Loan, the amount shown as the Loan Agreement Reserve Account deposit on the Term Sheet which amount does not exceed the least of: (i) ten percent (10%) of the Loan Agreement Principal Amount; (ii) one hundred twenty-five percent (125%) of the average annual principal and interest requirements under the Loan Agreement; or (iii) the maximum annual principal and interest requirements under the Loan Agreement.

“Loan Agreement Term” means the term of this Loan Agreement as provided under Article III of this Loan Agreement.

“NMSA” means the New Mexico Statutes Annotated, 1978 compilation, as amended and supplemented.

“Ordinance” means the Governmental Unit Ordinance No. 58 adopted by the Governing Body on July 14, 2025, as amended and restated by Ordinance No. 60 adopted by the Governing Body on September 8, 2025, approving this Loan Agreement and the Intercept Agreement and pledging the Pledged Revenues to the payment of the Loan Agreement Payments as shown on the Term Sheet.

“Parity Obligations” means this Loan Agreement, and any other obligations, now outstanding or hereafter issued or incurred, payable from or secured by a lien or pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on a parity with this Loan Agreement, including any such obligations shown on the Term Sheet.

“Permitted Investments” means securities which are at the time legal investments of the Governmental Unit for the money to be invested, as applicable, including but not limited to the following, if permitted by law: (i) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States, the federal home loan mortgage association, the federal national mortgage association, the federal farm credit bank, federal home loan banks or the student loan marketing association or that are backed by the full faith and credit of the United States government; (ii) negotiable securities of the State; (iii) money market funds which invest solely in obligations described in clause (i) above which are rated in the highest rating category by Moody’s Investors Service, Inc., or S&P Global Ratings; and (iv) the State Treasurer’s short-term investment fund created pursuant to Section 6-

10-10.1, NMSA 1978, as amended, and operated, maintained and invested by the office of the State Treasurer.

“Pledged Revenues” means revenues of the Governmental Unit received pursuant to the Tax Ordinances and pledged to payment of the Loan Agreement Payments pursuant to the Ordinance and described on the Term Sheet.

“Principal Component” means the portion of each Loan Agreement Payment paid as principal on this Loan Agreement as shown on Exhibit “B” hereto.

“Program Account” means the account in the name of the Governmental Unit established pursuant to the Indenture and held by the Trustee for the deposit of the net proceeds of this Loan Agreement for disbursement to the Governmental Unit for payment of the costs of the Project.

“Project” means the project(s) described on the Term Sheet.

“Tax Ordinances” collectively, means Ordinance No. 6 passed and approved by the Governmental Unit pursuant to the Act on June 2, 1987, with an effective date of January 1, 1988, as amended on September 14, 1987 and March 27, 2020, which imposes the three-eighths of one percent (0.375%) increments of County Local Option Gross Receipts Tax pursuant to Section 7-20E-9, NMSA 1978 (as repealed and modified by Laws 2019, Chapter 274, § 16 and Laws 2020, Chapter 80, § 13) (the “County Gross Receipts Tax”) on the gross receipts of persons engaging in business within the Governmental Unit; and Ordinance No. 41 passed and approved by the Governmental Unit pursuant to the Act on July 23, 2007, with an effective date of January 1, 2008, which imposes the one-half of one percent (0.5%) increments of County Local Option Gross Receipts Tax pursuant to Section 7-20C-3, NMSA 1978 (as repealed and modified by Laws 2019, Chapter 274, § 16 and Laws 2020, Chapter 80, § 13) (the “County Local Hospital Gross Receipts Tax”) on the gross receipts of persons engaging in business within the Governmental Unit. Pursuant to Laws 2019, Chapter 274, § 16, the County Gross Receipts Tax imposed by Ordinance No. 6, as amended, and County Local Hospital Gross Receipts Tax imposed by Ordinance No. 41, are no longer identifiable as the above increments of County Gross Receipts Tax and County Local Hospital Gross Receipts Tax and instead collectively comprise seven-eighths of one percent (0.875%) of the maximum rate of County Local Option Gross Receipts Tax that may be imposed under Section 7-20E-9, NMSA 1978, as amended, of one and three-quarters percent (1.75%), which is pledged to the Loan.

“Term Sheet” means Exhibit “A” attached hereto.

“Trustee” means BOKF, NA, Albuquerque, New Mexico, or any successor trust company, national or state banking association or financial institution at the time appointed the Trustee by the Finance Authority.

“Unassigned Rights” means the rights of the Finance Authority to receive payment of the administrative expenses, reports and indemnity against claims pursuant to the provisions of this Loan Agreement which are withheld in the granting clauses of the Indenture from the pledge, assignment and transfer of this Loan Agreement to the Trustee.

ARTICLE II REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1 Representations, Covenants and Warranties of the Governmental Unit. The Governmental Unit represents, covenants and warrants:

(a) Binding Nature of Covenants. All covenants, stipulations, obligations and agreements of the Governmental Unit contained in this Loan Agreement shall be deemed to be the covenants, stipulations, obligations and agreements of the Governmental Unit to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Governmental Unit and its successors and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Loan Agreement, all rights, powers and privileges conferred and duties and liabilities imposed upon the Governmental Unit by the provisions of this Loan Agreement and the Ordinance shall be exercised or performed by the Governmental Unit or by such members, officers, or officials of the Governmental Unit as may be required by law to exercise such powers and to perform such duties.

(b) Personal Liability. No covenant, stipulation, obligation or agreement contained in this Loan Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any officer, agent or employee of the Governmental Unit or member of the Governing Body in his or her individual capacity, and neither the members of the Governing Body nor any officer, agent or employee of the Governmental Unit executing this Loan Agreement shall be liable personally on this Loan Agreement or be subject to any personal liability or accountability by reason of the execution and delivery thereof.

(c) Authorization of Loan Agreement and Intercept Agreement. The Governmental Unit is a political subdivision of the State and is duly organized and existing under the statutes and laws of the State. Pursuant to the Act, as amended and supplemented from time to time, the Governmental Unit is authorized by the Act to enter into the transactions contemplated by this Loan Agreement and the Intercept Agreement and to carry out its obligations hereunder and thereunder. The Governmental Unit has duly authorized and approved the execution and delivery of this Loan Agreement, the Intercept Agreement, and the other documents related to the transaction.

(d) Use of Loan Agreement Proceeds. The Governmental Unit shall proceed without delay in applying the proceeds of this Loan Agreement (less the deposits to the Loan Agreement Reserve Account, if any, and the Finance Authority Debt Service Account) to the acquisition of the Project.

(e) Payment of Loan Agreement. The Governmental Unit shall promptly pay Loan Agreement Payments, as specified in Exhibit "B" hereto, according to the true intent and meaning of this Loan Agreement. Loan Agreement Payments are payable solely from the Pledged Revenues or from the proceeds of refunding bonds or other refunding obligations which the Governmental Unit may hereafter issue in its sole discretion and which are payable from the Pledged Revenues; and nothing in this Loan Agreement shall be construed as obligating the Governmental Unit to pay Loan Agreement Payments from any general or other fund of the

Governmental Unit other than such special funds. Nothing contained in this Loan Agreement, however, shall be construed as prohibiting the Governmental Unit in its sole and absolute discretion, from making such payments from any moneys which may be lawfully used, and which are legally available, for that purpose.

(f) Acquisition and Completion of Project. The Project will consist of acquiring and completing construction of a new hospital to replace its existing hospital facility located within the boundaries of Quay County for the benefit of the Governmental Unit and its residents. The Project will be acquired and completed so as to comply with all applicable ordinances, resolutions and regulations, if any, and any and all applicable laws relating to the acquisition and completion of the Project and to the use of the Pledged Revenues. The Project complies with Section 7-20E-9, NMSA 1978, as amended.

(g) Necessity of Project. The acquisition of the Project under the terms and conditions provided for in this Loan Agreement is necessary, convenient and in furtherance of the governmental purposes of the Governmental Unit and is in the best interests of the Governmental Unit and its residents.

(h) Legal, Valid and Binding Special Obligation. The Governmental Unit has taken all required action necessary to authorize the execution and delivery of this Loan Agreement and the Intercept Agreement, and this Loan Agreement and the Intercept Agreement constitute legal, valid and binding special obligations of the Governmental Unit enforceable in accordance with their terms.

(i) Loan Agreement Term. The weighted average maturity of _____ years of the Loan Agreement does not exceed 120% of the reasonably expected life of the Project which is _____ () years.

(j) Use of Project. During the Loan Agreement Term, the Project will at all times be used for the purpose of benefiting the Governmental Unit as a whole.

(k) No Private Activity. The Governmental Unit is a "governmental unit" within the meaning of Sections 103 and 141(b)(6) of the Code. In addition, no amounts disbursed from the Program Account and used to finance the Project shall be used in the trade or business of a person who is not a "governmental unit" within the meaning of Sections 103 and 141(b)(6) of the Code.

(l) No Excess Loan Agreement Proceeds. The amount loaned to the Governmental Unit under this Loan Agreement as set forth on the Term Sheet does not exceed the sum of: (i) the cost of the Project; (ii) the Loan Agreement Reserve Requirement; and (iii) an amount necessary to pay the costs related to issuance of the Bonds, if any.

(m) No Breach or Default Caused by Loan Agreement or Intercept Agreement. Neither the execution and delivery of this Loan Agreement and the Intercept Agreement, nor the fulfillment of or compliance with the terms and conditions in this Loan Agreement and the Intercept Agreement, nor the consummation of the transactions contemplated herein and therein, conflicts with or results in a breach of terms, conditions or provisions of any restriction or any

agreement or instrument to which the Governmental Unit is a party or by which the Governmental Unit is bound or any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Governmental Unit or its properties are subject, or constitutes a default under any of the foregoing.

(n) Irrevocable Enactments. While this Loan Agreement remains outstanding and unpaid, any ordinance, resolution or other enactment of the Governing Body applying the Pledged Revenues for the payment of this Loan Agreement, including the Tax Ordinances and the Ordinance, shall be irrevocable until this Loan Agreement has been paid in full as to both principal and interest, and shall not be subject to amendment or modification in any manner which would in any way jeopardize the timely payment of Loan Agreement Payments.

(o) Outstanding Debt. Except for the Parity Obligations, if any, described on the Term Sheet, there are currently no outstanding bonds, notes or other obligations of the Governmental Unit which are payable from and secured by a parity lien on the Pledged Revenues. No additional indebtedness, bonds or notes of the Governmental Unit payable on a priority ahead of the indebtedness herein authorized out of the Pledged Revenues shall be created or incurred while this Loan Agreement remains outstanding. Prior to entering into additional indebtedness to be secured by a parity or subordinate lien on the Pledged Revenues, the Governmental Unit shall comply with the terms of Section 5.5 hereof and shall seek the written consent of the Finance Authority. During the term of this Loan Agreement, prior to entering into any indebtedness secured by a lien on any revenues of the Governmental Unit other than the Pledged Revenues, the Governmental Unit shall notify the Finance Authority in writing of such indebtedness.

(p) No Litigation. To the knowledge of the Governmental Unit, no litigation or proceeding is pending or threatened against the Governmental Unit or any other person affecting the right of the Governmental Unit to execute or deliver this Loan Agreement or the Intercept Agreement or to comply with its obligations under this Loan Agreement or the Intercept Agreement. Neither, the execution and delivery of this Loan Agreement or the Intercept Agreement by the Governmental Unit nor compliance by the Governmental Unit with the obligations under such agreements, requires the approval of any regulatory body, or any other entity, which approval has not been obtained or which is not reasonably expected to be obtained.

(q) No Event of Default. No event has occurred and no condition exists which, upon the execution and delivery of this Loan Agreement and the Intercept Agreement, would constitute an Event of Default on the part of the Governmental Unit under this Loan Agreement or the Intercept Agreement.

(r) Pledged Revenues Not Budgeted. The portion of the Pledged Revenues necessary to pay the Loan Agreement Payments, as and when due, is not needed or budgeted to pay current or anticipated operational or other expenses of the Governmental Unit.

(s) Expected Coverage Ratio. The Pledged Revenues (giving credit for any increase in Pledged Revenues which has received final approval of the Governing Body and become effective) from the Fiscal Year immediately preceding the Closing Date were equal to or exceeded, and, on an ongoing basis during each year of the Loan Agreement Term, are reasonably

expected to equal or exceed, one hundred twenty-five percent (125%) of the maximum Aggregate Annual Debt Service Requirement.

(t) No Extension of Interest Payments. The Governmental Unit will not extend or be a party to the extension of the time for paying any interest on this Loan Agreement.

(u) Governmental Unit's Existence. The Governmental Unit will maintain its corporate identity and existence so long as this Loan Agreement is unpaid, unless another political subdivision by operation of law succeeds to the liabilities and rights of the Governmental Unit without adversely affecting to any substantial degree the privileges and rights of the Finance Authority.

(v) Continuing Disclosure. The Governmental Unit covenants that it shall provide continuing disclosure to the Finance Authority, as the Finance Authority may require, that shall include, but not be limited to: annual audits, operational data required to update information in any disclosure documents used to assign or securitize the Loan Agreement Payments by issuance of Bonds by the Finance Authority pursuant to the Indenture, and notification of any event deemed material by the Finance Authority.

(w) Tax Covenants. The Governmental Unit covenants that it shall restrict the use of the proceeds of this Loan Agreement in such manner and to such extent, if any, as may be necessary so that this Loan Agreement will not constitute an arbitrage bond under Section 148 of the Code and that it shall pay any applicable rebate to the Internal Revenue Service. Authorized Officers are hereby authorized and directed to execute an Arbitrage and Tax Certificate as may be required by the Finance Authority and such additional certificates as shall be necessary to establish that this Loan Agreement is not an "arbitrage bond" within the meaning of Section 148 of the Code and the Treasury Regulations promulgated or proposed with respect thereto, including Treasury Regulation Sections 1.148-1 through 1.148-11, 1.149 and 1.150 as the same currently exist, or may from time to time hereafter be amended, supplemented or revised. The Governmental Unit covenants to comply with the provisions of any such Arbitrage and Tax Certificate and the provisions thereof will be incorporated herein by reference to the same extent as if set forth herein. The Governmental Unit covenants that no use will be made of the proceeds of this Loan Agreement, or any funds or accounts of the Governmental Unit which may be deemed to be Gross Proceeds (as defined in Treasury Regulation Section 1.148-1(b)) of this Loan Agreement, which use, if it had been reasonably expected on the Closing Date, would have caused this Loan Agreement to be classified as an "arbitrage bond" within the meaning of Section 148 of the Code. Pursuant to this covenant, the Governmental Unit obligates itself to comply throughout the Loan Agreement Term with the requirements of Sections 103 and 141 through 150 of the Code and the regulations proposed or promulgated with respect thereto. The Governmental Unit further represents and covenants that no bonds or other evidence of indebtedness of the Governmental Unit payable from substantially the same source as this Loan Agreement have been or will be issued, sold or delivered within fifteen (15) days prior to or subsequent to the Closing Date.

(x) Pledged Revenues Covenants. The Governing Body has duly adopted the Tax Ordinances imposing the County Gross Receipts Tax and County Local Hospital Gross Receipts Tax, which constitutes the Pledged Revenues. The Tax Ordinances have not been repealed or superseded and are in full force and effect.

Section 2.2 Representations, Covenants and Warranties of the Finance Authority. The Finance Authority represents, covenants and warrants for the benefit of the Governmental Unit as follows:

(a) Authorization of Loan Agreement and Intercept Agreement. The Finance Authority is a public body politic and corporate constituting a governmental instrumentality, separate and apart from the State, duly organized, existing and in good standing under the laws of the State, has all necessary power and authority to enter into and perform and observe the covenants and agreements on its part contained in this Loan Agreement and the Intercept Agreement and, by proper action, has duly authorized the execution and delivery of this Loan Agreement and the Intercept Agreement.

(b) Assignment of Rights. The Finance Authority may not pledge or assign the Pledged Revenues, the Loan Agreement Payments or any of its other rights under this Loan Agreement and the Intercept Agreement except to the Trustee pursuant to the Indenture.

(c) No Breach or Default Caused by Loan Agreement or Intercept Agreement. Neither the execution and delivery of this Loan Agreement or the Intercept Agreement, nor the fulfillment of or compliance with the terms and conditions of this Loan Agreement or the Intercept Agreement, nor the consummation of the transactions contemplated in this Loan Agreement or the Intercept Agreement, conflicts with or results in a breach of the terms, conditions and provisions of any restriction or any agreement or instrument to which the Finance Authority is a party or by which the Finance Authority is bound or constitutes a default under any of the foregoing and will not conflict with or constitute a violation of any constitutional or statutory provision or order, rule, regulation, decree or resolution of any court, government or governmental authority having jurisdiction over the Finance Authority or its property, and which conflict or violation will have a material adverse effect on the Finance Authority or the financing of the Project.

(d) No Litigation. To the knowledge of the Finance Authority, there is no litigation or proceeding pending or threatened against the Finance Authority or any other person affecting the right of the Finance Authority to execute or deliver this Loan Agreement or the Intercept Agreement, or to comply with its obligations under this Loan Agreement or the Intercept Agreement. Neither, the execution and delivery of this Loan Agreement or the Intercept Agreement by the Finance Authority, nor compliance by the Finance Authority with its obligations under this Loan Agreement and the Intercept Agreement, requires the approval of any regulatory body, or any other entity, which approval has not been obtained.

(e) Legal, Valid and Binding Obligations. This Loan Agreement and the Intercept Agreement constitute the legal, valid and binding obligations of the Finance Authority enforceable in accordance with their terms.

(f) Tax-Exempt Reimbursement of Amount Loaned. The Finance Authority intends to reimburse the public project revolving fund (as defined in the Finance Authority Act) for the amount of the Loan from the proceeds its Public Project Revolving Fund Subordinate Lien Revenue Bonds, Series 2025C to be issued on or around the Closing Date.

ARTICLE III LOAN AGREEMENT TERM

The Loan Agreement Term shall commence on the Closing Date and shall not terminate until this Loan Agreement has been paid in full or provision for the payment of this Loan Agreement has been made pursuant to Article VIII hereof.

ARTICLE IV LOAN; APPLICATION OF MONEYS

On the Closing Date, the Finance Authority shall transfer the Loan Agreement Principal Amount as follows:

(a) To the Trustee, the amount shown on the Term Sheet as the Program Account deposit shall be deposited into the Governmental Unit's Program Account to be maintained by the Trustee pursuant to the Indenture and disbursed pursuant to Section 6.2 hereof at the direction of the Governmental Unit as needed by the Governmental Unit for the Project; and

(b) To the Trustee, the amount shown on the Term Sheet as the Loan Agreement Reserve Account deposit shall be deposited in the Governmental Unit's account maintained in the Loan Agreement Reserve Fund by the Trustee pursuant to the Indenture; and

(c) To the Finance Authority, the amount shown on the Term Sheet as the Finance Authority Debt Service Account deposit shall be deposited into the Finance Authority Debt Service Account to be maintained by the Finance Authority or its assignee and utilized as provided in Section 5.2 hereof.

ARTICLE V LOAN TO THE GOVERNMENTAL UNIT; PAYMENTS BY THE GOVERNMENTAL UNIT

Section 5.1 Loan to the Governmental Unit; Payment Obligations Limited to Pledged Revenues; Pledge of Pledged Revenues. The Finance Authority hereby lends to the Governmental Unit and the Governmental Unit hereby borrows from the Finance Authority an amount equal to the Loan Agreement Principal Amount. The Governmental Unit promises to pay, but solely from the sources pledged herein, the Loan Agreement Payments as herein provided. The Governmental Unit does hereby convey, assign and pledge unto the Finance Authority and unto its successors in trust forever all right, title and interest of the Governmental Unit in and to: (i) the Pledged Revenues to the extent required to pay the Loan Agreement Payments on parity with the Parity Obligations; (ii) the Finance Authority Debt Service Account, such account being held by the Finance Authority; (iii) the Program Account and the Loan Agreement Reserve Account, such accounts being held by the Trustee, and; (iv) all other rights hereinafter granted, for the securing of the Governmental Unit's obligations under this Loan Agreement, including payment of the Loan Agreement Payments and Additional Payment Obligations; provided, however, that if the Governmental Unit, its successors or assigns, shall well and truly pay, or cause to be paid, all Loan Agreement Payments at the time and in the manner contemplated by this Loan Agreement, then, upon such final payment or provision for payment by the Governmental Unit, this Loan Agreement

and the rights created thereby shall terminate; otherwise, this Loan Agreement shall remain in full force and effect. The Loan Agreement Payments shall, in the aggregate, be sufficient to pay the Principal Component and Interest Component when due, the payment schedule of which is attached hereto as Exhibit "B."

The pledge of the Pledged Revenues and the lien thereon shall be effective upon the Closing Date. The Governmental Unit and the Finance Authority acknowledge and agree that the Loan Agreement Payments of the Governmental Unit hereunder are limited to the Pledged Revenues, and that this Loan Agreement shall constitute a special, limited obligation of the Governmental Unit. No provision of this Loan Agreement shall be construed or interpreted as creating a general obligation or other indebtedness of the Governmental Unit within the meaning of any constitutional or statutory debt limitation. No provision of this Loan Agreement shall be construed to pledge or to create a lien on any class or source of Governmental Unit moneys other than the Pledged Revenues, nor shall any provision of this Loan Agreement restrict the future issuance of any bonds or obligations payable from any class or source of Governmental Unit moneys other than the Pledged Revenues. In addition, to the extent not required for the payment of obligations of the Governmental Unit hereunder, the Pledged Revenues may be utilized by the Governmental Unit for any other purposes permitted by law.

Section 5.2 Payment Obligations of Governmental Unit. As provided in the Intercept Agreement, the Distributing State Agency shall cause to be transferred from the Pledged Revenues, the amounts provided in subsections (a)(i) and (ii) of this Section 5.2 for deposit into the Finance Authority Debt Service Account and the amount provided in subsection (c) for deposit into the Loan Agreement Reserve Account. The Finance Authority Debt Service Account shall be established and held by the Finance Authority and the Loan Agreement Reserve Account shall be established and held by the Trustee, each on behalf of the Governmental Unit. All Pledged Revenues received by the Finance Authority pursuant to this Section 5.2 shall be accounted for and maintained on an ongoing basis by the Finance Authority in the Finance Authority Debt Service Account and all Loan Agreement Payments shall be remitted to the Trustee. The amounts on deposit in the Finance Authority Debt Service Account and Loan Agreement Reserve Account shall be expended and used by the Finance Authority or the Trustee, as the case may be, only in the manner and order of priority specified below.

(a) As a first charge and lien, but not an exclusive first charge and lien, on the Pledged Revenues (on a parity with the lien on the Pledged Revenues created by any outstanding Parity Obligations), the Governmental Unit shall remit to the Finance Authority, and the Finance Authority shall transfer and deposit into the Finance Authority Debt Service Account the following from the Pledged Revenues received pursuant to the Intercept Agreement from the Governmental Unit, which the Finance Authority shall transfer to the Trustee in accordance with the Indenture:

(i) Interest Components. (A) Monthly, beginning on the first day of the second month following the Closing Date, an amount in equal monthly installments which is necessary to pay the first maturing Interest Component coming due on this Loan Agreement (which is _____, 202_), and (B) on the first day of each month thereafter, one-sixth (1/6) of the amount necessary to pay the next maturing Interest Component on this Loan Agreement as described in Exhibit "B";

(ii) Principal Payments. (A) Monthly, beginning on the first day of the second month following the Closing Date, an amount in equal monthly installments which is necessary to pay the first maturing Principal Component (which is _____, 202_), and (B) on the first day of each month thereafter, one-twelfth (1/12) of the amount which is necessary to pay the next maturing Principal Component on this Loan Agreement during the Loan Agreement Term, as described in Exhibit "B".

(b) Each Loan Agreement Payment shall be transferred by the Finance Authority from the Finance Authority Debt Service Account to the Trustee.

(c) As a second charge and lien on the Pledged Revenues received from the Governmental Unit after deposits in (a) and (b) have been made, the Trustee shall transfer and deposit to the Loan Agreement Reserve Account any amounts necessary to replenish the Loan Agreement Reserve Account to the Loan Agreement Reserve Requirement. Moneys in the Loan Agreement Reserve Account shall be held and administered by the Trustee and shall be used only to prevent deficiencies in the payment of the Principal Component and Interest Component of the Loan Agreement Payments resulting from a failure to deposit into the Finance Authority Debt Service Account sufficient funds to pay debt service requirements on the Loan; provided, that the final two Interest Components and the final Principal Component on the Loan shall be payable from the Loan Agreement Reserve Account. If funds are withdrawn from the Loan Agreement Reserve Account to pay debt service on the Loan, at the direction of the Finance Authority or the Trustee, additional Pledged Revenues shall be deposited into the Loan Agreement Reserve Account in amounts in equal monthly installments sufficient to restore the amount on deposit therein to the Loan Agreement Reserve Requirement within one (1) year following such withdrawal; provided, that no additional Pledged Revenues shall be intercepted to replenish the Loan Agreement Reserve Account following the transfer of the amount in the Loan Agreement Reserve Account to the Finance Authority Debt Service Account for payment of the final two Interest Components and the final Principal Component.

Notwithstanding any other provisions hereof, the Finance Authority shall have the right to waive the requirement of the Loan Agreement Reserve Account and the Loan Agreement Reserve Requirement, and any moneys in the Loan Agreement Reserve Account may, at the written direction of the Finance Authority, be applied to the Finance Authority Debt Service Account, applied to the prepayment of the Loan pursuant to Article VIII hereof, or released to the Governmental Unit for the Project or used for any other purposes provided by law. If amounts in the Loan Agreement Reserve Account are released by the Finance Authority, the references in this Loan Agreement to the Loan Agreement Reserve Account and the Loan Agreement Reserve Requirement shall be of no further force and effect.

(d) Subject to the foregoing deposits, the Finance Authority or the Trustee shall annually use the balance of the Pledged Revenues received, if any, at the request of the Governmental Unit: (i) to credit against upcoming Loan Agreement Payments; or (ii) to distribute to the Governmental Unit for any purpose permitted by law.

Section 5.3 Manner of Payment. All payments of the Governmental Unit hereunder shall be paid in lawful money of the United States of America to the Finance Authority at the address designated in Section 11.1 herein, for remittance to the Trustee. The obligation of the

Governmental Unit to make payments hereunder, from and to the extent of the available Pledged Revenues, shall be absolute and unconditional in all events, except as expressly provided hereunder, and payment hereunder shall not be abated through accident or unforeseen circumstances. Notwithstanding any dispute between the Governmental Unit, the Finance Authority, the Trustee, any vendor or any other person, the Governmental Unit shall make all deposits hereunder, from and to the extent of the available Pledged Revenues, when due and shall not withhold any deposit hereunder pending final resolution of such dispute, nor shall the Governmental Unit assert any right of set-off or counterclaim against its obligation to make such deposits required hereunder.

Section 5.4 Disposition of Payments by the Trustee. The Trustee shall deposit all moneys received from the Finance Authority under this Loan Agreement in accordance with the Indenture.

Section 5.5 Additional Parity Obligations. No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional Parity Obligations payable from the Pledged Revenues, nor to prevent the issuance of bonds or other obligations refunding all or a part of this Loan Agreement; provided, however, that before any such additional Parity Obligations are actually issued (excluding refunding bonds or refunding obligations which refund Parity Obligations but including parity refunding bonds and obligations which refund subordinate obligations as provided in Section 5.6 hereof), the Governmental Unit shall obtain the written consent of the Finance Authority and it must be determined that:

(a) The Governmental Unit is then current in all of the accumulations required to be made into the Finance Authority Debt Service Account and the Loan Agreement Reserve Account as provided herein.

(b) No default shall exist in connection with any of the covenants or requirements of the Ordinance or this Loan Agreement.

(c) The Pledged Revenues received by or credited to the Governmental Unit for the Fiscal Year or for any twelve (12) consecutive months out of the twenty-four (24) months preceding the date of the issuance of such additional Parity Obligations (the "Historic Test Period") shall have been sufficient to pay an amount representing one hundred twenty five percent (125%) of the combined maximum Aggregate Annual Debt Service Requirement coming due in any subsequent Fiscal Year on the then outstanding Parity Obligations and the Parity Obligations proposed to be issued (excluding the accumulation of any reserves therefor).

(d) A written certification or opinion by the Governmental Unit's Treasurer or chief financial officer or by an Independent Accountant that the Pledged Revenues for the Historic Test Period are sufficient to pay said amounts, shall be conclusively presumed to be accurate in determining the right of the Governmental Unit to authorize, issue, sell and deliver the Parity Obligations proposed to be issued.

(e) With prior written consent by the Finance Authority, no provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional bonds or other obligations payable from the Pledged Revenues

constituting a lien upon such Pledged Revenues subordinate and junior to the lien of this Loan Agreement nor to prevent the issuance of bonds or other obligations refunding all or part of this Loan Agreement as permitted by Section 5.6 hereof.

(f) The Governmental Unit shall not issue bonds or other obligations payable from the Pledged Revenues having a lien thereon prior and superior to this Loan Agreement.

Section 5.6 Refunding Obligations. The provisions of Section 5.5 hereof are subject to the following exceptions:

(a) If at any time after the Closing Date, while this Loan Agreement, or any part thereof, is outstanding, the Governmental Unit shall find it desirable to refund any outstanding bonds or other outstanding obligations payable from the Pledged Revenues, this Loan Agreement, such bonds or other obligations, or any part thereof, may be refunded (but the holders of this Loan Agreement or bonds to be refunded may not be compelled to surrender this Loan Agreement or their bonds, unless this Loan Agreement, the bonds or other obligations, at the time of their required surrender for payment, shall then mature, or shall then be callable for prior redemption at the Governmental Unit's option), regardless of whether the priority of the lien for the payment of the refunding obligations on the Pledged Revenues is changed, except as provided in subparagraph (e) of Section 5.5 hereof and in subparagraphs (b) and (c) of this Section.

(b) No refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued on a parity with this Loan Agreement unless:

(i) The outstanding obligations so refunded are Parity Obligations and the refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest obligations evidenced by such refunded obligations; or

(ii) The refunding bonds or other refunding obligations are issued in compliance with Section 5.5 hereof.

(c) The refunding bonds or other obligations so issued shall enjoy complete equality of lien on the Pledged Revenues with the portion of this Loan Agreement or any bonds or other obligations of the same issue which is not refunded, if any; and the holder or holders of such refunding bonds or such other refunding obligations shall be subrogated to all of the rights and privileges enjoyed by the holder or holders of this Loan Agreement or the bonds or other obligations of the same issue refunded thereby. If only a part of this Loan Agreement or the outstanding bonds and any other outstanding obligations of any issue or issues payable from the Pledged Revenues is refunded, then such obligations may not be refunded without the consent of the holder or holders of the unrefunded portion of such obligations, unless:

(i) The refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest obligations evidenced by such refunded obligations and by the outstanding obligations not refunded on and prior to the last maturity date of such unrefunded obligations; or

(ii) The refunding bonds or other refunding obligations are issued in compliance with Section 5.5 hereof; or

(iii) The lien on the Pledged Revenues for the payment of the refunding obligations is subordinate to each such lien for the payment of any obligations not refunded.

(d) Any refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued with such details as the Governmental Unit may provide by ordinance or resolution, but without any impairment of any contractual obligations imposed upon the Governmental Unit by any proceedings authorizing the issuance of any unrefunded portion of such outstanding obligations of any one or more issues (including, but not necessarily limited to, this Loan Agreement).

Section 5.7 Investment of Governmental Unit Funds. Money on deposit in the Finance Authority Debt Service Account established by the Finance Authority for the Governmental Unit may be invested by the Finance Authority in Permitted Investments at the discretion of the Finance Authority. Money on deposit in the Program Account and the Loan Agreement Reserve Account held by the Trustee and created hereunder may be invested by the Trustee in Permitted Investments at the written direction of the Finance Authority or at the discretion of the Trustee. Any earnings on any of said accounts shall be held and administered in each respective account and utilized in the same manner as the other moneys on deposit therein.

Section 5.8 Governmental Unit May Budget for Payments. The Governmental Unit may, in its sole discretion, but without obligation and subject to the Constitution of the State, governing laws, and its budgetary requirements, make available properly budgeted and legally available funds to defray any insufficiency of Pledged Revenues to pay Loan Agreement Payments; provided, however, the Governmental Unit has not covenanted and cannot covenant to make such funds available and has not pledged any of such funds for such purpose.

ARTICLE VI THE PROJECT

Section 6.1 Agreement to Acquire the Project. The Governmental Unit hereby agrees that to effectuate the purposes of this Loan Agreement and to effectuate the acquisition and completion of the Project, it shall make, execute, acknowledge and transmit any contracts, orders, receipts, writings and instructions with any other persons, firms or corporations and, in general, do all things which may be requisite or proper to acquire the Project. The Governmental Unit agrees to acquire and complete the Project through the application of moneys to be disbursed from the Program Account pursuant to Section 6.2 of this Loan Agreement.

Section 6.2 Disbursements From the Program Account. So long as no Event of Default shall occur, the Trustee shall disburse moneys from the Program Account in accordance with Section 6.2 of the Indenture upon receipt by the Trustee of a requisition substantially in the form of Exhibit "C" attached hereto signed by an Authorized Officer of the Governmental Unit.

No disbursement shall be made from the Program Account without the approval of Bond Counsel: (i) to reimburse the Governmental Unit's own funds for expenditures made prior to the Closing Date; (ii) to refund or advance refund any tax-exempt obligations issued by or on behalf of the Governmental Unit; (iii) to be used, directly or indirectly, to finance a project used or to be used in the trade or business of a person who is not a "governmental unit," within the meaning of

Section 141(b)(6) of the Code; or (iv) to expend funds after the date that is three (3) years after the execution and delivery of this Loan Agreement.

Section 6.3 Completion of the Project. Upon completion of the Project, an Authorized Officer of the Governmental Unit shall deliver a certificate to the Finance Authority and the Trustee substantially in the form of Exhibit "D" attached hereto stating that, to the best of his or her knowledge, the Project has been completed and accepted by the Governmental Unit, and all costs have been paid. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

Section 6.4 Application of Loan Agreement Proceeds Subsequent to Completion of the Project. Upon completion of the Project as signified by delivery of the completion certificate contemplated in Section 6.3 hereof or in the event that the Finance Authority and the Trustee shall not have received a certificate of completion as required by Section 6.3 hereof by the date three (3) years from the Closing Date (or such later date as is approved in writing by Bond Counsel), the Trustee shall transfer the amounts remaining in the Program Account (except amounts necessary for payment of amounts not then due and payable) to the Finance Authority Debt Service Account and such amounts shall be used for the payment of Loan Agreement Payments.

ARTICLE VII COMPLIANCE WITH LAWS AND RULES; OTHER COVENANTS

Section 7.1 Further Assurances and Corrective Instruments. The Finance Authority and the Governmental Unit agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or of the Pledged Revenues, or for otherwise carrying out the intention hereof.

Section 7.2 Finance Authority and Governmental Unit Representatives. Whenever under the provisions hereof the approval of the Finance Authority or the Governmental Unit is required, or the Governmental Unit or the Finance Authority is required to take some action at the request of the other, such approval or such request shall be given for the Finance Authority or for the Governmental Unit by an Authorized Officer of the Finance Authority or the Governmental Unit, as the case may be, and any party hereto shall be authorized to act on any such approval or request.

Section 7.3 Requirements of Law. During the Loan Agreement Term, the Governmental Unit and the Finance Authority shall observe and comply promptly with all current and future orders of all courts having jurisdiction over the parties hereto, the Project or the Pledged Revenues.

Section 7.4 First Lien; Equality of Liens. The Loan Agreement Payments constitute an irrevocable first lien (but not necessarily an exclusive first lien) upon the Pledged Revenues. The Governmental Unit covenants that the Loan Agreement Payments and any Parity Obligations herein authorized to be issued and from time to time outstanding shall be equitably and ratably

secured by a first lien on the Pledged Revenues and shall not be entitled to any priority one over the other in the application of the Pledged Revenues regardless of the time or times of the issuance of such obligations, it being the intention of the Governmental Unit that there shall be no priority between the Loan Agreement Payments and any such Parity Obligations regardless of the fact that they may be actually issued and delivered at different times.

Section 7.5 Expeditious Completion. The Governmental Unit shall complete the Project with all practical dispatch.

ARTICLE VIII PREPAYMENT OF LOAN AGREEMENT PAYMENTS

Section 8.1 Prepayment. The Governmental Unit is hereby granted the option to prepay any of the Principal Components of this Loan Agreement in whole or in part on any day on or after ten (10) years following the Closing Date without penalty or prepayment premium. The Governmental Unit may designate the due dates of any Principal Components being prepaid in the event of a partial prepayment. Notice of intent to make such prepayment shall be provided to the Finance Authority and the Trustee by the Governmental Unit no less than forty-five (45) days prior to the prepayment date. The Trustee shall recalculate the Loan Agreement Payments due under this Loan Agreement in the event of a partial prepayment in a manner which is consistent with the manner in which the Bonds, if any, are prepaid.

Section 8.2 Defeasance. Should the Governmental Unit pay or make provision for payment of the Loan such that all amounts due pursuant to this Loan Agreement shall be deemed to have been paid and defeased, then the Loan Agreement Payments hereunder shall also be deemed to have been paid, the Governmental Unit's payment obligations hereunder shall be terminated, this Loan Agreement and all obligations contained herein shall be discharged and the pledge hereof released. Such payment shall be deemed made when the Governmental Unit has deposited with an escrow agent, in trust, (i) moneys sufficient to make such payment, and/or (ii) noncallable Government Obligations maturing as to principal and interest in such amount and at such times as will ensure the availability of sufficient moneys to make such payment and when all necessary and proper expenses of the Finance Authority have been paid or provided for. In the event the Governmental Unit makes provisions for defeasance of this Loan Agreement, the Governmental Unit shall cause to be delivered (1) a report of an independent nationally recognized certified public accountant verifying the sufficiency of the escrow established to pay this Loan Agreement in full when due or upon an irrevocably designated prepayment date, and (2) an opinion of Bond Counsel to the effect that this Loan Agreement is no longer outstanding, each of which shall be addressed and delivered to the Finance Authority. Government Obligations within the meaning of this Section 8.2, unless otherwise approved by the Finance Authority, shall include only (1) cash, (2) U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series – "SLGs"), and (3) obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

ARTICLE IX INDEMNIFICATION

From and to the extent of the Pledged Revenues, to the extent permitted by law, the Governmental Unit shall and hereby agrees to indemnify and save the Finance Authority and the Trustee harmless against and from all claims, by or on behalf of any person, firm, corporation or other legal entity arising from the acquisition or operation of the Project during the Loan Agreement Term, from: (i) any act of negligence or other misconduct of the Governmental Unit or breach of any covenant or warranty by the Governmental Unit hereunder; and (ii) the incurrence of any cost or expense in connection with the acquisition or operation of the Project in excess of the Loan Agreement proceeds and interest on the investment thereof. The Governmental Unit shall indemnify and save the Finance Authority and the Trustee harmless, from and to the extent of the available Pledged Revenues, from any such claim arising as aforesaid from (i) or (ii) above, or in connection with any action or proceeding brought thereon and, upon notice from the Finance Authority or the Trustee, shall defend the Finance Authority or the Trustee, as applicable, in any such action or proceeding.

ARTICLE X EVENTS OF DEFAULT AND REMEDIES

Section 10.1 Events of Default Defined. Any one of the following shall be an Event of Default under this Loan Agreement:

(a) Failure by the Governmental Unit to pay any amount required to be paid under this Loan Agreement on the date on which it is due and payable;

(b) Failure by the Governmental Unit to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Loan Agreement, other than as referred to in paragraph (a), for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to the Governmental Unit by the Finance Authority or the Trustee unless the Finance Authority and the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the Finance Authority or the Trustee but cannot be cured within the applicable thirty (30) day period, the Finance Authority and the Trustee will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Governmental Unit within the applicable period and diligently pursued until the failure is corrected; and provided, further, that if by reason of force majeure the Governmental Unit is unable to carry out the agreements on its part herein contained, the Governmental Unit shall not be deemed in default under this paragraph (b) during the continuance of such inability (but force majeure shall not excuse any other Event of Default);

(c) Any warranty, representation or other statement by or on behalf of the Governmental Unit contained in this Loan Agreement or in any instrument furnished in compliance with or in reference to this Loan Agreement is false or misleading in any material respect;

(d) A petition is filed against the Governmental Unit under any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within thirty (30) days after such filing, but the Finance Authority and the Trustee shall have the right to intervene in the proceedings prior to the expiration of such thirty (30) days to protect their interests;

(e) The Governmental Unit files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under any such law; or

(f) The Governmental Unit admits insolvency or bankruptcy or its inability to pay its debts as they become due or is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including, without limitation, a receiver, liquidator or trustee) of the Governmental Unit for any of its property is appointed by court order or takes possession thereof and such order remains in effect or such possession continues for more than thirty (30) days, but the Finance Authority and the Trustee shall have the right to intervene in the proceedings prior to the expiration of such thirty (30) days to protect their interests.

Section 10.2 Remedies on Default. Whenever any Event of Default has occurred and is continuing and subject to Section 10.3 hereof, the Finance Authority or the Trustee may take any or all of the following actions as may appear necessary or desirable to collect the payments then due and to become due or to enforce performance of any agreement of the Governmental Unit in this Loan Agreement or the Intercept Agreement:

(a) By mandamus or other action or proceeding or suit at law or in equity to enforce the rights of the Finance Authority and the Trustee under this Loan Agreement and the Intercept Agreement against the Governmental Unit, and compel the Governmental Unit to perform or carry out its duties under the law and the agreements and covenants required to be performed by it contained herein; or

(b) By suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Finance Authority or the Trustee; or

(c) Intervene in judicial proceedings that affect this Loan Agreement or the Pledged Revenues; or

(d) Cause the Governmental Unit to account as if it were the trustee of an express trust for all of the Pledged Revenues; or

(e) Take whatever other action at law or in equity may appear necessary or desirable to collect amounts then due and thereafter to become due under this Loan Agreement or to enforce any other of its rights thereunder; or

(f) Apply any amounts in the Program Account toward satisfaction of any of the obligations of the Governmental Unit under this Loan Agreement.

Section 10.3 Limitations on Remedies. A judgment requiring a payment of money entered against the Governmental Unit may reach only the available Pledged Revenues.

Section 10.4 No Remedy Exclusive. Subject to Section 10.3 hereof, no remedy herein conferred upon or reserved to the Finance Authority or the Trustee is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder as now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Finance Authority or the Trustee to exercise any remedy reserved in this Article X, it shall not be necessary to give any notice, other than such notice as may be required in this Article X.

Section 10.5 Waivers of Events of Default. The Finance Authority or the Trustee may in its discretion waive by written waiver any Event of Default hereunder and the consequences of such an Event of Default provided, however, that there shall not be waived: (i) any Event of Default in the payment of the principal of this Loan Agreement at the date when due as specified herein; or (ii) any default in the payment when due of the interest on this Loan Agreement, unless prior to such waiver or rescission, all arrears of interest, with interest at the rate borne by this Loan Agreement on all arrears of payments of principal and all expenses of the Finance Authority or the Trustee, in connection with such Event of Default shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Finance Authority or the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case, the Finance Authority and the Trustee shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 10.6 No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be in writing and limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 10.7 Agreement to Pay Attorneys' Fees and Expenses. In the event that the Governmental Unit shall default under any of the provisions hereof and the Finance Authority or the Trustee shall employ attorneys or incur other expenses for the collection of payments hereunder, or the enforcement of performance or observance of any obligation or agreement on the part of the Governmental Unit herein contained, the Governmental Unit agrees that it shall on demand therefor pay to the Finance Authority or the Trustee, as applicable, the fees of such attorneys and such other expenses so incurred, to the extent that such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction; provided, however, that the obligation of the Governmental Unit under this Section shall be limited to expenditures from and to the extent of the available Pledged Revenues.

ARTICLE XI MISCELLANEOUS

Section 11.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered as follows: if to the Governmental Unit, PO Box 1246, Tucumcari, New Mexico 88401, Attention: County Manager; if to the Finance Authority, New Mexico Finance Authority, 810 W. San Mateo Road, Santa Fe, New Mexico 87505, Attention: Chief Executive Officer; and if to the Trustee, BOKF, NA, 100 Sun Avenue NE, Suite 500, Albuquerque, New Mexico 87109, Attention: Trust Division. The Governmental Unit, the Finance Authority, and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 11.2 Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the Finance Authority, the Governmental Unit and their respective successors and assigns, if any.

Section 11.3 Amendments. The Governmental Unit agrees that this Loan Agreement will not be amended without the prior written consent of the Finance Authority, and, if the Loan has been pledged under the Indenture (as defined herein), without the prior written consent of the Trustee (as defined herein), the Finance Authority and the Governmental Unit, pursuant to the Indenture.

Section 11.4 No Liability of Individual Officers, Directors or Trustees. No recourse under or upon any obligation, covenant or agreement contained in this Loan Agreement shall be had against any member, employee, director or officer, as such, past, present or future, of the Finance Authority, either directly or through the Finance Authority, or against any officer, employee, director, trustee or member of the Governing Body, past, present or future, as an individual so long as such individual was acting in good faith. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer, employee, director, trustee or member of the Governing Body or of the Finance Authority is hereby expressly waived and released by the Governmental Unit and by the Finance Authority as a condition of and in consideration for the execution of this Loan Agreement.

Section 11.5 Severability. In the event that any provision of this Loan Agreement, other than the requirement of the Governmental Unit to pay hereunder, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.6 Execution in Counterparts. This Loan Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.7 Assignment by the Finance Authority. Pursuant to the Indenture, this Loan Agreement and the Intercept Agreement may be assigned and transferred by the Finance Authority to the Trustee, which assignment and transfer is hereby acknowledged and approved by the Governmental Unit.

Section 11.8 Compliance with Governing Law. It is hereby declared by the Governing Body that it is the intention of the Governmental Unit by the execution of this Loan Agreement to comply in all respects with the provisions of the New Mexico Constitution and statutes as the same govern the pledge of the Pledged Revenues to payment of all amounts payable under this Loan Agreement.

Section 11.9 Applicable Law. This Loan Agreement shall be governed by and construed in accordance with the laws of the State.

Section 11.10 Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Loan Agreement.

(Signature pages follow)

IN WITNESS WHEREOF, the Finance Authority, on behalf of itself, and as approved by the Board of Directors of the Finance Authority on August 28, 2025, has executed this Loan Agreement in its corporate name by its duly authorized officer; and the Governmental Unit has caused this Loan Agreement to be executed in its corporate name and the seal of the Governmental Unit affixed and attested by its duly authorized officers. All of the above are effective as of the date first above written.

NEW MEXICO FINANCE AUTHORITY

By _____
Marquita D. Russel, Chief Executive Officer

PREPARED FOR EXECUTION BY OFFICERS
OF THE NEW MEXICO FINANCE AUTHORITY:
Sutin, Thayer & Browne A Professional Corporation
As Loan Counsel

By _____
Suzanne Wood Bruckner

APPROVED FOR EXECUTION BY OFFICERS OF
THE NEW MEXICO FINANCE AUTHORITY:

By _____
Mark Chaiken, General Counsel

QUAY COUNTY,
NEW MEXICO

[SEAL]

By

Jerri Rush
Jerri Rush, Chairwoman

ATTEST:

By

Veronica Manley
Veronica Manley, County Clerk



7463791

EXHIBIT "A"

TERM SHEET

New Mexico Finance Authority Loan No. PPRF-6685

Governmental Unit:	Quay County, New Mexico
Project Description:	To construct a new hospital to replace its existing hospital facility located within the boundaries of Quay County for the benefit of the Governmental Unit and its residents, to pay costs of issuance and related professional fees, and to fund the Loan Agreement Reserve Account
Loan Agreement Principal Amount:	[\$21,630,000]
Original Issue Premium:	\$_____
Disadvantaged Funding Amount:	\$0.00
Pledged Revenues:	The revenues from: (A) the three-eighths of one percent (0.375%) County Gross Receipts Tax imposed pursuant to Ordinance No. 6, adopted on June 2, 1987, with an effective date of January 1, 1988, as amended on September 14, 1987 and March 27, 2020, imposed under Section 7-20E-9, NMSA 1978 (as repealed and modified); and (B) the one-half of one percent (0.5%) County Local Hospital Gross Receipts Tax imposed pursuant to Ordinance No. 41, July 23, 2007, with an effective date of January 1, 2008, imposed under Section 7-20C-3, NMSA 1978 (as repealed and modified). Pursuant to Laws 2019, Chapter 274, § 16, the County Gross Receipts Tax imposed by Ordinance No. 6, as amended, and County Local Hospital Gross Receipts Tax imposed by Ordinance No. 41, are no longer identifiable as the above increments of County Gross Receipts Tax and County Local Hospital Gross Receipts Tax and instead collectively comprise seven-eighths of one percent (0.875%) of the maximum rate of County Local Option Gross Receipts Tax that may be imposed under Section 7-20E-9, NMSA 1978, as amended, of one and three-quarters percent (1.75%), which is pledged to the Loan.
Coverage Ratio:	125% with written consent of the Finance Authority as set forth in Sections 2.1(o) and 5.5
Distributing State Agency:	State of New Mexico Taxation and Revenue Department

Currently Outstanding Parity Obligations: None

Additional Parity Bonds Test: 125%

Authorizing Legislation: Ordinance No. 58 adopted on July 14, 2025, as amended and restated by Ordinance No. 60 adopted by the Governing Body on September 8, 2025

Closing Date: October 14, 2025

Blended Interest Rate: _____%

Program Account Deposit: \$ _____

Loan Agreement Reserve Account Deposit: \$ _____

Finance Authority Debt Service Account Deposit: \$ _____

First Interest Payment Date: _____, _____

First Principal Payment Date: _____, _____

Final Payment Date: _____, _____

PROGRAM ACCOUNT DEPOSITS MUST BE USED WITHIN THREE YEARS UNLESS A LATER DATE IS APPROVED IN WRITING TO THE TRUSTEE AND THE FINANCE AUTHORITY BY BOND COUNSEL TO THE FINANCE AUTHORITY

EXHIBIT "C"

FORM OF REQUISITION

RE: [\$21,630,000] Loan Agreement by and between Quay County, New Mexico, and the New Mexico Finance Authority (the "Loan Agreement").

TO: BOKF, NA
c/o New Mexico Finance Authority
PPRF@nmfa.net

You are hereby authorized to disburse from the Program Account – Quay County, New Mexico (2025 New Hospital Loan), with regard to the above-referenced Loan Agreement the following:

LOAN NO.: PPRF-6685

CLOSING DATE: October 14, 2025

REQUISITION NUMBER:

NAME AND ADDRESS OF PAYEE:

AMOUNT OF PAYMENT:

\$ _____

PURPOSE OF PAYMENT:

Each obligation, item of cost or expense mentioned herein is for costs of the Project, is due and payable, has not been the subject of any previous requisition and is a proper charge against the Program Account – Quay County, New Mexico (2025 New Hospital Loan).

All representations contained in the Loan Agreement and the related closing documents remain true and correct and Quay County, New Mexico, is not in breach of any of the covenants contained therein.

If this is the final requisition, payment of costs of the Project is complete or, if not complete, Quay County, New Mexico, shall, and understands its obligation to, complete the acquisition of the Project from other legally available funds.

Capitalized terms used herein, are used as defined or used in the Loan Agreement.

DATED: _____

By: _____

Authorized Officer of Borrower

Title: _____

Print Name and Title

EXHIBIT "D"

CERTIFICATE OF COMPLETION

RE: [\$21,630,000] Loan Agreement by and between Quay County, New Mexico, and the New Mexico Finance Authority (the "Loan Agreement").

TO: New Mexico Finance Authority
PPRF@nmfa.net

Rich Wood
Senior Vice President, Corporate Trust
BOKF, NA
100 Sun Avenue NE, Suite 500
Albuquerque, New Mexico 87109

LOAN NO.: PPRF-6685

CLOSING DATE: October 14, 2025

In accordance with Section 6.3 of the Loan Agreement, the undersigned states, to the best of his or her knowledge, that the acquisition of the Project has been completed and accepted by the Governmental Unit, and all costs have been paid as of the date of this Certificate. Notwithstanding the foregoing, this certification is given without prejudice to any rights against third parties which exist at the date of this Certificate or which may subsequently come into being.

Capitalized terms used herein, are used as defined or used in the Loan Agreement.

DATED: _____

By: _____
Authorized Officer of Borrower

Title: _____
Print Name and Title

STATE OF NEW MEXICO
COUNTY OF QUAY

The Board of Commissioners (the "Governing Body") of Quay County, New Mexico, met in regular session in full conformity with law and the rules and regulations of the Governing Body at the Quay County Courthouse, 300 South Third Street, Tucumcari, New Mexico 88401, being the meeting place of the Governing Body for the regular meeting held on the 8th day of September, 2025, at the hour of 9:00 a.m. Upon roll call, the following members were found to be present:

Present:

Brian Fortner Commissioner
Terri Rush - Chairwoman
Dallas Dowell - Commissioner

Absent:

Also Present:

Thereupon, there was officially filed with the County Clerk a copy of a proposed Ordinance in final form.

INTERCEPT AGREEMENT

This INTERCEPT AGREEMENT is made and entered into October 14, 2025, by and between the NEW MEXICO FINANCE AUTHORITY (the "Finance Authority"), a public body politic and corporate constituting a governmental instrumentality separate and apart from the State of New Mexico (the "State") under the laws of the State and QUAY COUNTY, NEW MEXICO, a political subdivision duly organized and existing under the laws of the State (the "Governmental Unit").

W I T N E S S E T H:

WHEREAS, Sections 6-21-1 through 6-21-31, NMSA 1978, as amended, authorized the creation of the Finance Authority within the State to assist in financing the cost of public projects of participating qualified entities, including the Governmental Unit, such as the construction of a new hospital to replace its existing hospital facility located within the boundaries of Quay County for the benefit of the Governmental Unit and its residents; and

WHEREAS, pursuant to Sections 6-21-1 through 6-21-31, NMSA 1978, as amended, and Sections 4-62-1 through 4-62-10, NMSA 1978, as amended (collectively, the "Act"), the Finance Authority and the Governmental Unit are authorized to enter into agreements to facilitate the financing of the Project as described in the Loan Agreement by and between the Finance Authority and the Governmental Unit of even date herewith (the "Loan Agreement"); and

WHEREAS, the Governmental Unit desires to acquire the Project and such acquisition is permitted under the Act; and

WHEREAS, the Finance Authority has established its Loan Program (the "Program") funded by its public project revolving fund (as defined in the Act) for the financing of infrastructure and equipment projects upon the execution of the Loan Agreement and the assignment of loan agreements to a trustee (the "Trustee"); and

WHEREAS, the Governmental Unit desires to borrow [\$21,630,000] from the Program for the purpose of financing the acquisition of the Project, which Loan is to be governed by this Intercept Agreement and by the Loan Agreement; and

WHEREAS, pursuant to the Act, the Governmental Unit has by the Tax Ordinances imposed the three-eighths of one percent (0.375%) County Gross Receipts Tax and the one-half of one percent (0.5%) County Local Hospital Gross Receipts Tax on the gross receipts of all persons engaging in business within the Governmental Unit which provides for the Pledged Revenues; and

WHEREAS, the three-eighths of one percent (0.375%) County Gross Receipts Tax imposed by Ordinance No. 6, as amended, is no longer identifiable as the first, second and third increments of County Gross Receipts Tax, and instead comprises three-eighths of one percent (0.375%) of the maximum rate of County Local Option Gross Receipts Tax that may be imposed under Section 7-20E-9, NMSA 1978, as amended, of one and three quarters percent (1.75%), which is pledged to the Loan; and

WHEREAS, the one-half of one percent (0.5%) County Local Hospital Gross Receipts Tax imposed by Ordinance No. 41 is no longer identifiable as the first, second, third and fourth increments of County Local Hospital Gross Receipts Tax, and instead comprises one-half of one percent (0.5%) of the maximum rate of County Local Option Gross Receipts Tax that may be imposed under Section 7-20E-9, NMSA 1978, as amended, of one and three quarters percent (1.75%), which is pledged to the Loan; and

WHEREAS, the Act confers upon the Finance Authority the authority to loan funds to the Governmental Unit to finance the Project, and Section 7-1-6.15, NMSA 1978, as amended, authorizes the Governmental Unit to direct that its distribution of County Gross Receipts Tax revenues and County Local Hospital Gross Receipts Tax revenues (the "Pledged Revenues") from the State Taxation and Revenue Department (the "Distributing State Agency") be paid to the Finance Authority or its assignee, to secure payments under the Loan Agreement;

NOW THEREFORE, the parties hereto agree:

Unless otherwise defined in this Intercept Agreement and except where the context by clear implication otherwise requires, capitalized terms used in this Intercept Agreement shall have for all purposes of this Intercept Agreement the meanings assigned thereto in the Loan Agreement and the Indenture, as defined in the Loan Agreement.

Section 1. Authorization to the Finance Authority. The Governmental Unit hereby recognizes that the Finance Authority has made a Loan to the Governmental Unit in the amount of [\$21,630,000] to finance the acquisition of the Project. Pursuant to the Loan Agreement and this Intercept Agreement, the Loan and all Loan Agreement Payments on the Loan made by or on behalf of the Governmental Unit shall be collected by the Finance Authority and remitted to the Trustee. All payments due on the Loan from the Pledged Revenues shall be paid by the Distributing State Agency to the Finance Authority or its designee, on behalf of the Governmental Unit, from scheduled distributions of the Pledged Revenues in accordance with the Intercept Schedule attached hereto as Exhibit "A" (the "Intercept Schedule").

This Intercept Agreement shall be deemed a written certification, authorization and request by the Governmental Unit to the Distributing State Agency to pay to the Finance Authority, on behalf of the Governmental Unit, sums shown on the Intercept Schedule from distributions of the Pledged Revenues pursuant to Sections 7-1-6.13 and 7-1-6.15, NMSA 1978, as amended, to insure compliance with the Loan Agreement and repayment of the Loan. Upon written notice to the Distributing State Agency from the Finance Authority, the amount of the Pledged Revenues to be paid to the Finance Authority shall be increased from the amounts shown on Exhibit "A" to defray any delinquencies in the Finance Authority Debt Service Account or Loan Agreement Reserve Account, if any, established for the Governmental Unit. Any accumulation of the Pledged Revenues in an amount in excess of the next Loan Agreement Payment and the Loan Agreement Reserve Requirement, if any, shall be redirected by the Finance Authority to the benefit of the Governmental Unit on a timely basis as provided in Section 5.2 of the Loan Agreement.

To the extent applicable and to the extent that the Pledged Revenues are insufficient to meet the debt service requirements due on the Loan and other Parity Obligations (as defined in the Loan Agreement) now or hereafter issued or incurred, the amounts intercepted under this Intercept

Agreement shall be applied to allow partial payment on a pro-rata basis of the debt service due and owing on the Loan Agreement and other Parity Obligations.

Section 2. Term; Amendments. This Intercept Agreement will remain in full force and effect from its effective date as herein provided until such time as the Loan made pursuant to the Loan Agreement and this Intercept Agreement have been paid in full. Nothing herein shall be deemed in any way to limit or restrict the Governmental Unit from issuing its own obligations, providing its own program or participating in any other program for the financing of public projects which the Governmental Unit may choose to finance. This Intercept Agreement may be amended only by written instrument signed by the parties hereto.

Section 3. Authorization. The execution and performance of the terms of this Intercept Agreement have been authorized and approved by Ordinance No. 58, passed and adopted on July 14, 2025 by the Governing Body of the Governmental Unit, as amended and restated by Ordinance No. 60 adopted on September 8, 2025, which Ordinances are in full force and effect on the date hereof.

Section 4. Severability of Invalid Provisions. If any one or more of the provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such provision shall be null and void and shall be deemed separable from the remaining provisions and shall in no way affect the validity of any of the other provisions hereof.

Section 5. Counterparts. This Intercept Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 6. Further Authorization. The Governmental Unit agrees that the Finance Authority shall do all things necessary or convenient to the implementation of the Program to facilitate the Loan to the Governmental Unit.

Section 7. Effective Date. This Intercept Agreement shall take effect on the Closing Date of the Loan.

Section 8. Initial Intercept Date. As indicated on the Intercept Schedule, the first distribution of the Pledged Revenues that is to be intercepted by the Distributing State Agency under the terms of this Intercept Agreement consist of Pledged Revenues due to the Governmental Unit distributed in _____, 2025.

Section 9. Final Intercept Date. Once the Loan has been fully paid off and satisfied, Finance Authority shall provide written notice to the Distributing State Agency to discontinue the interception of the Governmental Unit's Pledged Revenues.

[Remainder of page left intentionally blank]

[Signature page follows]

IN WITNESS WHEREOF, the parties to this Intercept Agreement have caused their names to be affixed hereto by the proper officers thereof as of the date first above written.

NEW MEXICO FINANCE AUTHORITY

By _____
Marquita D. Russel, Chief Executive Officer

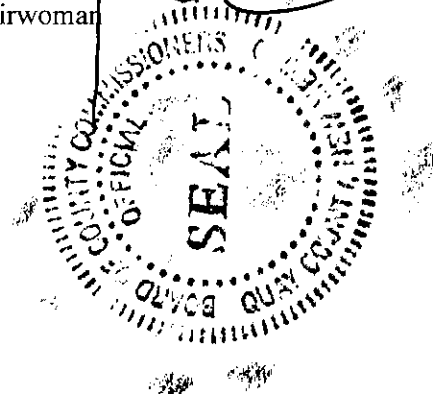
QUAY COUNTY, NEW MEXICO

By Jerri Rush
Jerri Rush, Chairwoman

[SEAL]

ATTEST:

By Veronica Manley
Veronica Manley, County Clerk



Acknowledged:

By _____
Taxation and Revenue Department

Date _____

EXHIBIT "A"

INTERCEPT SCHEDULE

QUAY COUNTY, NEW MEXICO

Payment Dates	Pledged Revenues	Amount
Monthly, beginning: ____ 20__ – ____ 20__	The revenues from: (A) the three-eighths of one percent (0.375%) County Gross Receipts Tax imposed pursuant to Ordinance No. 6, adopted on June 2, 1987, with an effective date of January 1, 1988, as amended on September 14, 1987 and March 27, 2020, imposed under Section 7-20E-9, NMSA 1978 (as repealed and modified); and (B) the one-half of one percent (0.5%) County Local Hospital Gross Receipts Tax imposed pursuant to Ordinance No. 41, July 23, 2007, with an effective date of January 1, 2008, imposed under Section 7-20C-3, NMSA 1978 (as repealed and modified). Pursuant to Laws 2019, Chapter 274, § 16, the County Gross Receipts Tax imposed by Ordinance No. 6, as amended, and County Local Hospital Gross Receipts Tax imposed by Ordinance No. 41, are no longer identifiable as the above increments of County Gross Receipts Tax and County Local Hospital Gross Receipts Tax and instead collectively comprise seven-eighths of one percent (0.875%) of the maximum rate of County Local Option Gross Receipts Tax that may be imposed under Section 7-20E-9, NMSA 1978, as amended, of one and three-quarters percent (1.75%), which is pledged to the Loan.	\$ _____

7463795

QUAY COUNTY, NEW MEXICO
ORDINANCE NO. 59

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN QUAY COUNTY, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY (THE "FINANCE AUTHORITY"), EVIDENCING A SPECIAL, LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT OF \$1,296,134 TOGETHER WITH INTEREST THEREON, FOR THE PURPOSE OF CONSTRUCTING AND RENOVATING A COUNTY-OWNED BUILDING TO SERVE AS THE LOCATION FOR THE TUCUMCARI QUAY REGIONAL EMERGENCY COMMUNICATION CENTER AND FUNDING A LOAN AGREEMENT RESERVE ACCOUNT; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE ONE-FOURTH OF ONE PERCENT (0.25%) INCREMENT OF COUNTY LOCAL OPTION GROSS RECEIPTS TAX, KNOWN AS THE COUNTY AREA EMERGENCY COMMUNICATIONS AND EMERGENCY MEDICAL AND BEHAVIORAL HEALTH SERVICES TAX, IMPOSED PURSUANT TO NMSA 1978, SECTION 7-20E-22, AS AMENDED, AND DISTRIBUTED TO THE GOVERNMENTAL UNIT BY THE STATE TAXATION AND REVENUE DEPARTMENT; PROVIDING FOR THE DISTRIBUTION OF COUNTY LOCAL OPTION GROSS RECEIPTS TAX TO BE REDIRECTED BY THE STATE TAXATION AND REVENUE DEPARTMENT TO THE FINANCE AUTHORITY OR ITS ASSIGNS FOR THE PAYMENT OF PRINCIPAL AND INTEREST DUE ON THE LOAN AGREEMENT PURSUANT TO AN INTERCEPT AGREEMENT; APPROVING THE FORM AND TERMS OF, AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT AND INTERCEPT AGREEMENT; SETTING THE MAXIMUM INTEREST RATE OF THE LOAN; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT AND INTERCEPT AGREEMENT.

Capitalized terms used in the following recitals have the same meaning as defined in Section 1 of this Ordinance unless the context requires otherwise.

WHEREAS, the Governmental Unit is a legally and regularly created, established, organized and existing county under the general laws of the State; and

WHEREAS, the Governing Body has determined and hereby determines that the Project may be financed with amounts borrowed under the Loan Agreement and that it is in the best interest of the Governmental Unit and its residents that the Loan Agreement and Intercept Agreement be executed and delivered and that the financing of the acquisition of the Project take place by executing and delivering the Loan Agreement and Intercept Agreement; and

WHEREAS, the Governmental Unit may use the Pledged Revenues to finance the Project; and

WHEREAS, the Governing Body has determined pursuant to the Act that it may lawfully pledge the Pledged Revenues for the payment of amounts due under the Loan Agreement; and

WHEREAS, other than as described in Exhibit "A" to the Loan Agreement, the Pledged Revenues have not been pledged to secure the payment of any obligation, which is currently outstanding; and

WHEREAS, the Loan Agreement shall be a special, limited obligation of the Governmental Unit, payable solely from the Pledged Revenues, and shall not constitute a general obligation of the Governmental Unit, or a debt or pledge of the full faith and credit of the Governmental Unit or the State; and

WHEREAS, the Governmental Unit desires to provide that distributions of the Pledged Revenues be redirected to the Finance Authority or its assigns pursuant to an Intercept Agreement between the Governmental Unit and the Finance Authority (the "Intercept Agreement") for the payment of amounts due under the Loan Agreement; and

WHEREAS, other than the Pledged Revenues, no tax revenues collected by the Governmental Unit shall be pledged to the Loan Agreement; and

WHEREAS, there have been presented to the Governing Body and there presently are on file with the County Clerk this Ordinance and the forms of the Loan Agreement and Intercept Agreement, which are incorporated by reference and considered to be a part hereof; and

WHEREAS, the Governing Body hereby determines that the Project to be financed by the Loan is to be used for governmental purposes of the Governmental Unit and will not be used for purposes which would cause the Loan Agreement to be deemed a "private activity bond" as defined by the Internal Revenue Code of 1986, as amended; and

WHEREAS, the Governing Body intends by this Ordinance to authorize the execution and delivery of the Loan Agreement in the amount and for the purposes set forth herein; and

WHEREAS, all required authorizations, consents and approvals in connection with (i) the use and pledge of the Pledged Revenues to the Finance Authority (or its assigns) for the payment of the amounts due under the Loan Agreement, (ii) the use of the proceeds of the Loan Agreement to finance the Project, and (iii) the authorization, execution and delivery of the Loan Agreement and Intercept Agreement which are required to have been obtained by the date of this Ordinance, have been obtained or are reasonably expected to be obtained.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF QUAY COUNTY, NEW MEXICO:

Section 1. Definitions. As used in this Ordinance, the following terms shall, for all purposes, have the meanings herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined):

"Act" means the general laws of the State, NMSA 1978, Sections 4-62-1 through 4-62-10, and Section 7-20E-22, as amended, and enactments of the Governing Body relating to the Loan Agreement and Intercept Agreement, including this Ordinance.

“Aggregate Annual Debt Service Requirement” means the total principal and interest payments due and payable pursuant to the Loan Agreement and on all Parity Obligations secured by a pledge of the Pledged Revenues for any one Fiscal Year.

“Authorized Officers” means the Chairwoman, Finance Director and County Clerk.

“Bonds” means public project revolving fund revenue bonds, if any, issued hereafter by the Finance Authority to fund or reimburse the Loan Agreement.

“Closing Date” means the date of execution, delivery and funding of the Loan Agreement.

“Code” means the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder.

“Completion Date” means the date of final payment of the cost of the Project.

“Distributing State Agency” means the department or agency of the State, as described on the Term Sheet, authorized to distribute the Pledged Revenues on behalf of the Governmental Unit.

“Expenses” means the cost of issuance of the Loan Agreement and the costs of issuance of the Bonds, if any, and the periodic and regular fees and expenses incurred by the Finance Authority in administering the Loan Agreement, including legal fees.

“Finance Authority” means the New Mexico Finance Authority.

“Finance Authority Debt Service Account” means the debt service account in the name of the Governmental Unit established under the Indenture and held by the Finance Authority to pay principal and interest, if any, on the Loan Agreement as the same become due.

“Fiscal Year” means the period commencing on July 1 in each calendar year and ending on the last day of June of the next succeeding calendar year, or any other twelve-month period which any appropriate authority may hereafter establish for the Governmental Unit as its fiscal year.

“Governing Body” means the Board of Commissioners of the Governmental Unit, or any future successor governing body of the Governmental Unit.

“Governmental Unit” means Quay County, New Mexico.

“Herein,” “hereby,” “hereunder,” “hereof,” “hereinabove” and “hereafter” refer to this entire Ordinance and not solely to the particular section or paragraph of this Ordinance in which such word is used.

“Indenture” means the General Indenture of Trust and Pledge dated as of June 1, 1995, as amended and supplemented, by and between the Finance Authority and the Trustee, as successor trustee, or the Subordinated General Indenture of Trust and Pledge dated as of March 1, 2005, as supplemented, by and between the Finance Authority and the Trustee, as successor trustee, as determined by the Finance Authority pursuant to a Pledge Notification or Supplemental Indenture (as defined in the Indenture).

“Intercept Agreement” means the Intercept Agreement, dated the Closing Date, between the Governmental Unit and Finance Authority providing for the direct payment by the Distributing State Agency to the Finance Authority of Pledged Revenues in amounts sufficient to pay principal and interest due on the Loan Agreement, and any amendments or supplements to the Intercept Agreement.

“Loan” means the funds to be loaned to the Governmental Unit by the Finance Authority pursuant to the Loan Agreement.

“Loan Agreement” means the Loan Agreement dated the Closing Date between the Finance Authority and the Governmental Unit which provides for the financing of the Project and requires payments by or on behalf of the Governmental Unit to the Finance Authority and/or the Trustee and any amendments or supplements thereto, and including the exhibits attached to the Loan Agreement.

“Loan Agreement Principal Amount” means the original principal amount of the Loan Agreement as shown on the Term Sheet.

“Loan Agreement Reserve Account” means the loan agreement reserve account established in the name of the Governmental Unit, funded from the proceeds of the Loan Agreement and administered by the Trustee pursuant to the Indenture.

“Loan Agreement Reserve Requirement” means, with respect to the Loan, the amount shown as the Loan Agreement Reserve Account Deposit on Exhibit “A” to the Loan Agreement, which amount does not exceed the least of: (i) ten percent (10%) of the Loan Agreement Principal Amount; (ii) one hundred twenty-five percent (125%) of the average annual principal and interest requirements under the Loan Agreement; or (iii) the maximum annual principal and interest requirements under the Loan Agreement.

“NMSA” means the New Mexico Statutes Annotated, 1978, as amended and supplemented.

“Ordinance” means this Ordinance No. 59 adopted by the Governing Body on September 8, 2025 approving the Loan Agreement and the Intercept Agreement and pledging the Pledged Revenues to the payment of the Loan Agreement as shown on the Term Sheet, as supplemented and amended from time to time.

“Parity Obligations” means the Loan Agreement and any other obligations, now or hereafter issued or incurred, payable from or secured by a lien or pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on parity with the Loan Agreement, including those obligations described on the Term Sheet.

“Pledged Revenues” means the one-fourth of one percent (0.25%) increment of County Local Option Gross Receipts Tax, known as the county area emergency communications and emergency medical and behavioral health services tax, received pursuant to the Tax Ordinance which tax is enforceable under NMSA 1978, Section 7-20E-22, as amended, distributed to the Governmental Unit, which is utilizing the Project and benefiting from the Loan Agreement, which distribution is made monthly by the Distributing State Agency.

“Program Account” means the account in the name of the Governmental Unit established pursuant to the Indenture and held by the Trustee for the deposit of the net proceeds of the Loan Agreement for disbursement to the Governmental Unit for payment of the costs of the Project.

“Project” means the project described in Exhibit “A” to the Loan Agreement.

“State” means the State of New Mexico.

“Tax Ordinance” means Ordinance No. 47 passed and approved by the Governmental Unit pursuant to the Act on July 14, 2014, which imposes the one-fourth of one percent (0.25%) increment of the County Local Option Gross Receipts Tax on the gross receipts of persons engaging in business within the Governmental Unit.

“Term Sheet” means Exhibit “A” to the Loan Agreement.

“Trustee” means BOKF, NA, Albuquerque, New Mexico, or any successor trustee company, national or state banking association or financial institution at the time appointed Trustee by the Finance Authority.

Section 2. Ratification. All actions heretofore taken (not inconsistent with the provisions of this Ordinance) by the Governing Body and officers of the Governmental Unit directed toward the acquisition of the Project and the execution and delivery of the Loan Agreement and the Intercept Agreement, be, and the same hereby are, ratified, approved and confirmed.

Section 3. Authorization of the Project, the Loan Agreement and the Intercept Agreement. The acquisition of the Project and the method of financing the Project through execution and delivery of the Loan Agreement and the Intercept Agreement are hereby authorized and ordered. The Project is for the benefit and use of the Governmental Unit.

Section 4. Findings. The Governmental Unit hereby declares that it has considered all relevant information and data and hereby makes the following findings:

A. The Project is needed to meet the needs of the Governmental Unit and its residents and the issuance and delivery of the Loan Agreement is necessary and advisable.

B. Moneys available and on hand for the Project from all sources other than the Loan are not sufficient to defray the cost of acquiring the Project.

C. The Pledged Revenues may lawfully be pledged to secure the payment of amounts due under the Loan Agreement.

D. It is economically feasible to defray, in whole or in part, the costs of the Project by the execution and delivery of the Loan Agreement.

E. The Project and the execution and delivery of the Loan Agreement and the Intercept Agreement pursuant to the Act to provide funds for the financing of the Project are necessary and in the interest of the public health, safety and welfare of the residents of the Governmental Unit.

F. The Governmental Unit will acquire the Project, in whole or in part, with the net proceeds of the Loan.

G. Other than as described in the Term Sheet, the Governmental Unit does not have any outstanding obligations payable from the Pledged Revenues which it has incurred or will incur prior to the initial execution and delivery of the Loan Agreement and the Intercept Agreement.

H. The net effective interest rate on the Loan does not exceed twelve percent (12.0%) per annum, which is the maximum rate permitted by State law.

I. Pursuant to NMSA 1978, Section 7-20E-22, as amended, the Governmental Unit heretofore has adopted the Tax Ordinance, which imposes a one-fourth of one percent (0.25%) increment of County Local Option Gross Receipts Tax on the gross receipts of persons engaging in business within the Governmental Unit.

J. Pursuant to NMSA 1978, Section 7-1-6.13, as amended, the Government unit receives Pledged Revenues from the Distributing State Agency.

Section 5. Loan Agreement and Intercept Agreement - Authorization and Detail.

A. Authorization. This Ordinance has been adopted by the affirmative vote of at least a two thirds (2/3) majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the residents of the Governmental Unit and acquiring the Project, it is hereby declared necessary that the Governmental Unit, pursuant to the Act, execute and deliver the Loan Agreement and the Intercept Agreement evidencing a special, limited obligation of the Governmental Unit to pay a principal amount of \$1,296,134 plus interest thereon, and the execution and delivery of the Loan Agreement and the Intercept Agreement are hereby authorized. The Governmental Unit shall use the proceeds of the Loan to (i) finance the acquisition of the Project; (ii) fund the Loan Agreement Reserve Account; (iii) make a deposit to the Finance Authority Debt Service Account. The Project will be owned by the Governmental Unit.

B. Detail. The Loan Agreement and Intercept Agreement shall be in substantially the forms of the Loan Agreement and Intercept Agreement presented at the meeting of the Governing Body at which this Ordinance was adopted. The Loan shall be in an original aggregate principal amount of \$1,296,134, shall be payable in installments of principal due on May 1 of the years designated in Exhibit "B" to the Loan Agreement and bear interest payable on May 1 and November 1 of each year, beginning on May 1, 2026 at the rates designated in Exhibit "B" to the Loan Agreement.

Section 6. Approval of Loan Agreement and Intercept Agreement. The forms of the Loan Agreement and the Intercept Agreement, as presented at the meeting of the Governing Body at which this Ordinance was adopted are hereby approved. Authorized Officers are hereby individually authorized to execute, acknowledge and deliver the Loan Agreement and the Intercept Agreement, with such changes, insertions and omissions that are consistent with this Ordinance as may be approved by such individual Authorized Officers, and the County Clerk is hereby authorized to affix the seal of the Governmental Unit on the Loan Agreement and the Intercept Agreement and attest the same. The execution of the Loan Agreement and the Intercept Agreement by an Authorized Officer shall be conclusive evidence of such approval.

Section 7. Special Limited Obligation. The Loan Agreement shall be secured by the pledge of the Pledged Revenues as set forth in the Loan Agreement and shall be payable solely from

the Pledged Revenues. The Loan Agreement, together with other obligations of the Governmental Unit thereunder, shall be a special, limited obligation of the Governmental Unit, payable solely from the Pledged Revenues as provided in this Ordinance and the Loan Agreement and shall not constitute a general obligation of the Governmental Unit or the State, and the holders of the Loan Agreement may not look to any general or other fund of the Governmental Unit for payment of the obligations thereunder. Nothing contained in this Ordinance or in the Loan Agreement, or any other instruments, shall be construed as obligating the Governmental Unit (except with respect to the application of the Pledged Revenues), as incurring a pecuniary liability or a charge upon the general credit of the Governmental Unit or against its taxing power, nor shall a breach of any agreement contained in this Ordinance, the Loan Agreement, or any other instrument impose any pecuniary liability upon the Governmental Unit or any charge upon its general credit or against its taxing power. The Loan Agreement shall never constitute an indebtedness of the Governmental Unit within the meaning of any State constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Governmental Unit or a charge against its general credit or taxing power. Nothing herein shall prevent the Governmental Unit from applying other funds of the Governmental Unit legally available therefore to payments required by the Loan Agreement, in its sole and absolute discretion.

Section 8. Disposition of Proceeds: Completion of Acquisition of the Project.

A. Program Account, Finance Authority Debt Service Account and Loan Agreement Reserve Account. The Governmental Unit hereby consents to creation of the Finance Authority Debt Service Account to be held by the Finance Authority and to the Program Account, and the Loan Agreement Reserve Account to be held by the Trustee pursuant to the Indenture, each in connection with the Loan. The Governmental Unit hereby approves: (i) the deposit of a portion of the proceeds of the Loan Agreement in the Program Account and the Finance Authority Debt Service Account; and (ii) the deposit of funds in the amount of the Loan Agreement Reserve Requirement in the Loan Agreement Reserve Account, all as set forth in Exhibit "A" to the Loan Agreement.

The proceeds derived from the execution and delivery of the Loan Agreement shall be deposited promptly upon the receipt thereof in the Program Account, Loan Agreement Reserve Account and Finance Authority Debt Service Account shall be paid to the Finance Authority, all as provided in the Loan Agreement and the Indenture.

Until the Completion Date, the money in the Program Account shall be used and paid out solely for the purpose of acquiring the Project in compliance with applicable law and the provisions of the Loan Agreement and the Indenture.

The Governmental Unit will acquire the Project with all due diligence.

B. Completion of Acquisition of the Project. Upon the Completion Date, the Governmental Unit shall execute and send to the Finance Authority a certificate stating that acquisition of and payment for the Project have been completed. As soon as practicable, and, in any event, not more than sixty (60) days from the Completion Date, any balance remaining in the Program Account shall be transferred and deposited into the Finance Authority Debt Service Account, as provided in the Loan Agreement and the Indenture.

C. Finance Authority and Trustee Not Responsible. The Finance Authority and the Trustee shall in no manner be responsible for the application or disposal by the Governmental Unit or by its officers of the funds derived from the Loan Agreement or of any other funds herein designated.

Section 9. Deposit of Pledged Revenues, Distributions of the Pledged Revenues and Flow of Funds.

A. Deposit of Pledged Revenues. Pursuant to the Intercept Agreement, Pledged Revenues shall be paid directly by the Distributing State Agency to the Finance Authority for deposit in the Finance Authority Debt Service Account and remittance to the Trustee in an amount sufficient to pay principal and interest due under the Loan Agreement.

B. Termination on Deposits to Maturity. No payment shall be made into the Finance Authority Debt Service Account if the amounts in the Finance Authority Debt Service Account and Loan Agreement Reserve Account total a sum at least equal to the entire aggregate amount to become due as to principal, interest on, and any other amounts due under, the Loan Agreement in which case moneys in such account in an amount at least equal to such principal and interest requirements shall be used solely to pay such obligations as the same become due, and any moneys in excess thereof in such accounts shall be transferred to the Governmental Unit and used as provided below.

C. Use of Surplus Revenues. After making all the payments hereinabove required to be made by this Section and any payments required by outstanding Parity Obligations, any moneys remaining in the Finance Authority Debt Service Account shall be transferred to the Governmental Unit on a timely basis and shall be applied to any other lawful purpose, including, but not limited to, the payment of any Parity Obligations or bonds, or obligations subordinate and junior to the Loan Agreement, or other purposes authorized by the Governmental Unit, the Constitution and laws of the State, as the Governmental Unit may from time to time determine.

Section 10. Lien on Pledged Revenues. Pursuant to the Loan Agreement, the Pledged Revenues are hereby authorized to be pledged to, and are hereby pledged, and the Governmental Unit grants a security interest therein for, the payment of the principal, interest, and any other amounts due under the Loan Agreement, subject to the uses hereof permitted by and the priorities set forth in this Ordinance. The Loan Agreement constitutes an irrevocable and first lien, but not necessarily an exclusive first lien, on the Pledged Revenues as set forth herein and therein and the Governmental Unit shall not create a lien on the Pledged Revenues superior to that of the Loan Agreement.

Section 11. Authorized Officers. Authorized Officers are hereby individually authorized and directed to execute and deliver any and all papers, instruments, opinions, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Ordinance, the Loan Agreement, the Intercept Agreement and all other transactions contemplated hereby and thereby. Authorized Officers are hereby individually authorized to do all acts and things required of them by this Ordinance, the Loan Agreement and the Intercept Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Ordinance, the Loan Agreement and Intercept Agreement, including but not limited to, the execution and delivery of closing documents in connection with the execution and delivery of the

Loan Agreement and the publication of the summary of this Ordinance set out in Section 17 of this Ordinance (with such changes, additions and deletions as may be necessary).

Section 12. Amendment of Ordinance. Prior to the date of the initial delivery of the Loan Agreement to the Finance Authority, the provisions of this Ordinance may be supplemented or amended by ordinance of the Governing Body with respect to any changes which are not inconsistent with the substantive provisions of this Ordinance. This Ordinance may be amended without receipt by the Governmental Unit of any additional consideration, but only with the prior written consent of the Finance Authority.

Section 13. Ordinance Irrepealable. After the Loan Agreement and Intercept Agreement have been executed and delivered, this Ordinance shall be and remain irrepealable until all obligations due under the Loan Agreement shall be fully paid, canceled and discharged, as herein provided.

Section 14. Severability Clause. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 15. Repealer Clause. All bylaws, orders, resolutions, and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 16. Effective Date. Upon due adoption of this Ordinance, it shall be recorded in the book of the Governmental Unit kept for that purpose, authenticated by the signatures of the Chairwoman and County Clerk of the Governmental Unit, and the title and general summary of the subject matter contained in this Ordinance (set out in Section 17 below) shall be published in a newspaper which maintains an office and is of general circulation in the Governmental Unit, or posted in accordance with law, and said Ordinance shall be in full force and effect thereafter, in accordance with law.

Section 17. General Summary for Publication. Pursuant to the general laws of the State, the title and a general summary of the subject matter contained in this Ordinance shall be published in substantially the following form:

(Form of Summary of Ordinance for Publication)

Quay County, New Mexico
Notice of Adoption of Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in Ordinance No. 59, duly adopted and approved by the Governing Body of Quay County, New Mexico, on September 8, 2025. A complete copy of the Ordinance is available for public inspection during the normal and regular business hours of the County Clerk, 300 South Third Street, Tucumcari, New Mexico 88401.

The title of the Ordinance is:

QUAY COUNTY, NEW MEXICO
ORDINANCE NO. 59

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN QUAY COUNTY, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY (THE "FINANCE AUTHORITY"), EVIDENCING A SPECIAL, LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT OF \$1,296,134 TOGETHER WITH INTEREST THEREON, FOR THE PURPOSE OF CONSTRUCTING AND RENOVATING A COUNTY-OWNED BUILDING TO SERVE AS THE LOCATION FOR THE TUCUMCARI QUAY REGIONAL EMERGENCY COMMUNICATION CENTER AND FUNDING A LOAN AGREEMENT RESERVE ACCOUNT; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE ONE-FOURTH OF ONE PERCENT (0.25%) INCREMENT OF COUNTY LOCAL OPTION GROSS RECEIPTS TAX, KNOWN AS THE COUNTY AREA EMERGENCY COMMUNICATIONS AND EMERGENCY MEDICAL AND BEHAVIORAL HEALTH SERVICES TAX, IMPOSED PURSUANT TO NMSA 1978, SECTION 7-20E-22, AS AMENDED, AND DISTRIBUTED TO THE GOVERNMENTAL UNIT BY THE STATE TAXATION AND REVENUE DEPARTMENT; PROVIDING FOR THE DISTRIBUTION OF COUNTY LOCAL OPTION GROSS RECEIPTS TAX TO BE REDIRECTED BY THE STATE TAXATION AND REVENUE DEPARTMENT TO THE FINANCE AUTHORITY OR ITS ASSIGNS FOR THE PAYMENT OF PRINCIPAL AND INTEREST DUE ON THE LOAN AGREEMENT PURSUANT TO AN INTERCEPT AGREEMENT; APPROVING THE FORM AND TERMS OF, AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT AND INTERCEPT AGREEMENT; SETTING THE MAXIMUM INTEREST RATE OF THE LOAN; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT AND INTERCEPT AGREEMENT.

A general summary of the subject matter of the Resolution is contained in its title. This notice constitutes compliance with Section 6-14-6, NMSA 1978.

(End of Form of Summary for Publication)

PASSED, APPROVED AND ADOPTED THIS 8TH DAY OF SEPTEMBER, 2025.

QUAY COUNTY, NEW MEXICO

By Jerri Rush
Jerri Rush, Chairwoman

[SEAL]

ATTEST:

By Veronica Manley
Veronica Manley, County Clerk

Commissioner Brian Fortner then moved adoption of the foregoing Ordinance, duly seconded by Commissioner Dallas Dowell.

The motion to adopt said Ordinance, upon being put to a vote, was passed and adopted on the following recorded vote:

Those Voting Aye: Brian Fortner - Commissioner
Terri Rush - Chairwoman
Dallas Dowell - Commissioner

Those Voting Nay:

Those Absent:

Three (3) members of the Governing Body having voted in favor of said motion, the Chairwoman declared said motion carried and said Ordinance adopted, whereupon the Chairwoman and the County Clerk signed the Ordinance upon the records of the minutes of the Governing Body.

After consideration of matters not relating to the Ordinance, the meeting on the motion duly made, seconded and unanimously carried, was adjourned.

QUAY COUNTY, NEW MEXICO

By Jerri Rush
Jerri Rush, Chairwoman



ATTEST

By Veronica Manley
Veronica Manley, County Clerk

STATE OF NEW MEXICO
COUNTY OF QUAY

I, Veronica Manley, the duly qualified and acting County Clerk of Quay County, New Mexico (the "Governmental Unit"), do hereby certify:

1. The foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the Board of Commissioners of Quay County, New Mexico (the "Governing Body"), constituting the governing body of the Governmental Unit had and taken at a duly called regular meeting held at the Quay County Courthouse, 300 South Third Street, Tucumcari, New Mexico 88401, on September 8, 2025, at the hour of 9:00 a.m., insofar as the same relate to the execution and delivery of the proposed Loan Agreement and Intercept Agreement, a copy of each of which is set forth in the official records of the proceedings of the Governing Body kept in my office. None of the action taken has been rescinded, repealed, or modified.

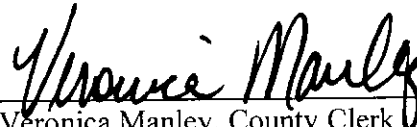
2. Said proceedings were duly had and taken as therein shown, the meeting therein was duly held, and the persons therein named were present at said meeting, as therein shown.

3. Notice of said meeting was given in compliance with the permitted methods of giving notice of regular meetings of the Governing Body as required by the Governmental Unit's open meetings standards presently in effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 24th day of October, 2025.

QUAY COUNTY, NEW MEXICO

By


Veronica Manley, County Clerk



\$1,296,134

LOAN AGREEMENT

dated

October 24, 2025

by and between the

NEW MEXICO FINANCE AUTHORITY

and

QUAY COUNTY, NEW MEXICO

Certain interests of the New Mexico Finance Authority under this Loan Agreement may be assigned to BOKF, NA, as trustee under an Indenture, as defined in Article I of this Loan Agreement.

LOAN AGREEMENT

THIS LOAN AGREEMENT dated October 24, 2025 is entered into by and between the NEW MEXICO FINANCE AUTHORITY (the "Finance Authority"), and the QUAY COUNTY, NEW MEXICO (the "Governmental Unit"), a political subdivision duly organized and existing under the laws of the State of New Mexico (the "State").

W I T N E S S E T H:

WHEREAS, the Finance Authority is a public body politic and corporate constituting a governmental instrumentality, separate and apart from the State, duly organized and created under and pursuant to the laws of the State, particularly Section 6-21-1 et seq., NMSA 1978, as amended (the "Finance Authority Act"); and

WHEREAS, one of the purposes of the Finance Authority Act is to implement a program to permit qualified entities, such as the Governmental Unit, to enter into agreements with the Finance Authority to facilitate financing of public projects; and

WHEREAS, the Governmental Unit is a political subdivision duly organized and existing under and pursuant to the laws of the State and is a qualified entity under the Finance Authority Act; and

WHEREAS, the Governmental Unit is a party to the Amended Joint Powers Agreement entered into on March 21, 2022 (the "JPA") creating the Tucumcari Quay Regional Emergency Communications Center (the "TQRECC"), among the Governmental Unit, the City of Tucumcari, the Village of Logan, the Village of San Jon and the Village of House (the "Participants"), pursuant to Section 11-1-1 through 11-1-7, NMSA 1978, as amended, and as approved by the New Mexico Department of Finance and Administration, the Participants have determined to jointly exercise common powers relating to public safety communications dispatch functions for the benefit of the Participants and their residents and have appointed the Governmental Unit as the fiscal agent for the TQRECC; and

WHEREAS, the Governing Body of the Governmental Unit has determined that it is in the best interests of the Governmental Unit and its residents that the Governmental Unit enter into this Loan Agreement with the Finance Authority and accept a loan from the Finance Authority to finance the costs of constructing and renovating a county-owned building to serve as the location for the TQRECC as more fully described on the Term Sheet attached hereto as Exhibit "A"; and

WHEREAS, the Governmental Unit is authorized by the Act to impose by ordinance a County Gross Receipts Tax pursuant to Section 7-20E-22, NMSA 1978, as amended; and

WHEREAS, pursuant to the Act, the Governmental Unit has by the Tax Ordinance imposed the one-fourth of one percent (0.25%) increment of County Local Option Gross Receipts Tax, known as the county area emergency communications and emergency medical and behavioral health services tax, on the gross receipts of all persons engaging in business within the Governmental Unit which provides for the Pledged Revenues; and

WHEREAS, the Act authorizes the Governmental Unit to use the Pledged Revenues to finance the Project and to enter into this Loan Agreement; and

WHEREAS, the Governmental Unit is a disadvantaged qualified entity within the meaning of Article II, Section D(3) of the Finance Authority's Amended Rules and Regulations Governing the Public Project Revolving Fund Program; and

WHEREAS, the Finance Authority has determined that the Project is important to the overall capital needs of the residents of the State and that the Project will directly enhance the health and safety of the residents of the Governmental Unit; and

WHEREAS, the Governmental Unit has entered into the Intercept Agreement by and between the Finance Authority and the Governmental Unit whereby the Pledged Revenues due to the Governmental Unit from the Distributing State Agency are intercepted by the Finance Authority, or the Trustee, as its assignee, to make payments due under this Loan Agreement; and

WHEREAS, the Finance Authority may assign and transfer this Loan Agreement to the Trustee pursuant to the Indenture; and

WHEREAS, except as described on the Term Sheet, the Pledged Revenues have not been pledged or hypothecated in any manner or for any purpose at the time of the execution and delivery of this Loan Agreement, and the Governmental Unit desires to pledge the Pledged Revenues toward the payment of this Loan Agreement; and

WHEREAS, the obligation of the Governmental Unit hereunder shall constitute a special, limited obligation of the Governmental Unit, limited to the Pledged Revenues, and shall not constitute a general obligation or other indebtedness of the Governmental Unit or a charge against the general credit or ad valorem taxing power of the Governmental Unit or the State; and

WHEREAS, the execution, performance and delivery of this Loan Agreement and the Intercept Agreement have been authorized, approved and directed by all necessary and appropriate action of the Governing Body pursuant to the Ordinance; and

WHEREAS, the execution and performance of this Loan Agreement and the Intercept Agreement have been authorized, approved and directed by all necessary and appropriate action of the Finance Authority.

NOW, THEREFORE, for and in consideration of the premises and the mutual promises and covenants herein contained, the parties hereto agree:

ARTICLE I DEFINITIONS

Capitalized terms defined in the foregoing recitals shall have the same meaning when used in this Loan Agreement unless the context clearly requires otherwise. Capitalized terms not defined in the recitals and defined in this Article I shall have the same meaning when used in this Loan Agreement including the foregoing recitals, unless the context clearly requires otherwise.

“Act” means the general laws of the State, including Sections 4-62-1 through 4-62-10, NMSA 1978, as amended and Section 7-20E-22, NMSA 1978, as amended, and enactments of the Governing Body relating to this Loan Agreement and Intercept Agreement, including the Ordinance.

“Additional Payment Obligations” mean payments in addition to Loan Agreement Payments required by this Loan Agreement, including, without limitation, payments required to replenish the Loan Agreement Reserve Account and payments required pursuant to the provisions of Article IX and Article X hereof.

“Aggregate Annual Debt Service Requirement” means the total principal, interest, and premium payments, if any, due and payable pursuant to this Loan Agreement and on all Parity Obligations secured by a pledge of the Pledged Revenues for any one Fiscal Year.

“Authorized Officers” means, in the case of the Governmental Unit, the Chairwoman, Finance Director and County Clerk, and, in the case of the Finance Authority, the Chair, Vice-Chair and Secretary of the Board of Directors and the Chief Executive Officer or any other officer or employee of the Finance Authority designated in writing by an Authorized Officer.

“Blended Interest Rate” means the rate of interest on this Loan Agreement as shown on the Term Sheet.

“Bond Counsel” means nationally recognized bond counsel experienced in matters of municipal law, satisfactory to the Trustee and listed in the list of municipal bond attorneys, as published semiannually by The Bond Buyer’s Municipal Marketplace, or any successor publication, acting as Loan Counsel to the Finance Authority.

“Bonds” means public project revolving fund revenue bonds, if any, issued hereafter by the Finance Authority to fund or reimburse this Loan Agreement.

“Closing Date” means the date of execution, delivery and funding of this Loan Agreement as shown on the Term Sheet.

“Code” means the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder.

“Distributing State Agency” means the department or agency of the State, as described on the Term Sheet, authorized to distribute the Pledged Revenues to or on behalf of the Governmental Unit.

“Event of Default” means one or more events of default as defined in Section 10.1 of this Loan Agreement.

“Expenses” means the costs of issuance of this Loan Agreement and the Bonds, if any, and periodic and regular fees and expenses incurred by the Finance Authority in administering this Loan Agreement, including legal fees.

“Finance Authority Debt Service Account” means the debt service account established in the name of the Governmental Unit within the Debt Service Fund, as defined in the Indenture, held and administered by the Finance Authority to pay principal and interest, if any, on this Loan Agreement as the same become due.

“Fiscal Year” means the period beginning on July 1 in each calendar year and ending on the last day of June of the next succeeding calendar year, or any other twelve-month period which any appropriate authority may hereafter establish for the Governmental Unit as its fiscal year.

“Governing Body” means the duly organized Board of Commissioners of the Governmental Unit, and any successor governing body of the Governmental Unit.

“Indenture” means the General Indenture of Trust and Pledge dated as of June 1, 1995, as amended and supplemented, by and between the Finance Authority and the Trustee, as successor trustee, or the Subordinated General Indenture of Trust and Pledge dated as of March 1, 2005, as supplemented, by and between the Finance Authority and the Trustee, as successor trustee, as determined by the Finance Authority pursuant to a Pledge Notification or Supplemental Indenture (as defined in the Indenture).

“Independent Accountant” means: (i) an accountant employed by the State and under the supervision of the State Auditor; or (ii) any certified public accountant or firm of such accountants duly licensed to practice and practicing as such under the laws of the State, appointed and paid by the Governmental Unit who: (a) is, in fact, independent and not under the domination of the Governmental Unit; (b) does not have any substantial interest, direct or indirect, with the Governmental Unit; and (c) is not connected with the Governmental Unit as an officer or employee of the Governmental Unit, but who may be regularly retained to make annual or similar audits of the books or records of the Governmental Unit.

“Intercept Agreement” means the Intercept Agreement dated October 24, 2025, between the Governmental Unit and the Finance Authority providing for the direct payment by the Distributing State Agency to the Finance Authority of the Pledged Revenues in amounts sufficient to pay Loan Agreement Payments, and any amendments or supplements to the Intercept Agreement.

“Interest Component” means the portion of each Loan Agreement Payment paid as interest on this Loan Agreement as shown on Exhibit “B” hereto.

“Loan” means the funds in the Loan Agreement Principal Amount to be loaned to the Governmental Unit by the Finance Authority pursuant to this Loan Agreement.

“Loan Agreement” means this loan agreement and any amendments or supplements hereto, including the exhibits attached to this loan agreement.

“Loan Agreement Balance” means, as of any date of calculation, the Loan Agreement Principal Amount less the aggregate principal amount paid or prepaid pursuant to the provisions of this Loan Agreement.

“Loan Agreement Payment” means, collectively, the Principal Component and the Interest Component, if any, to be paid by the Governmental Unit as payment of this Loan Agreement as shown on Exhibit “B” hereto.

“Loan Agreement Payment Date” means each date a payment is due on this Loan Agreement as shown on Exhibit “B” hereto.

“Loan Agreement Principal Amount” means the original principal amount of this Loan Agreement as shown on the Term Sheet.

“Loan Agreement Reserve Account” means the loan agreement reserve account established in the name of the Governmental Unit funded from the proceeds of this Loan Agreement and administered by the Trustee pursuant to the Indenture.

“Loan Agreement Reserve Requirement” means, with respect to the Loan, the amount shown as the Loan Agreement Reserve Account deposit on the Term Sheet which amount does not exceed the least of: (i) ten percent (10%) of the Loan Agreement Principal Amount; (ii) one hundred twenty-five percent (125%) of the average annual principal and interest requirements under the Loan Agreement; or (iii) the maximum annual principal and interest requirements under the Loan Agreement.

“Loan Agreement Term” means the term of this Loan Agreement as provided under Article III of this Loan Agreement.

“NMSA” means the New Mexico Statutes Annotated, 1978 compilation, as amended and supplemented.

“Ordinance” means the Governmental Unit Ordinance No. 59 adopted by the Governing Body on September 8, 2025 approving this Loan Agreement and the Intercept Agreement and pledging the Pledged Revenues to the payment of the Loan Agreement Payments as shown on the Term Sheet.

“Parity Obligations” means this Loan Agreement, and any other obligations, now outstanding or hereafter issued or incurred, payable from or secured by a lien or pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on a parity with this Loan Agreement, including any such obligations shown on the Term Sheet.

“Permitted Investments” means securities which are at the time legal investments of the Governmental Unit for the money to be invested, as applicable, including but not limited to the following, if permitted by law: (i) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States, the federal home loan mortgage association, the federal national mortgage association, the federal farm credit bank, federal home loan banks or the student loan marketing association or that are backed by the full faith and credit of the United States government; (ii) negotiable securities of the State; (iii) money market funds which invest solely in obligations described in clause (i) above which are rated in the highest rating category by Moody’s Investors Service, Inc., or S&P Global Ratings; and (iv) the State Treasurer’s short-term investment fund created pursuant to Section 6-

10-10.1, NMSA 1978, as amended, and operated, maintained and invested by the office of the State Treasurer.

“Pledged Revenues” means revenues of the Governmental Unit received pursuant to the Tax Ordinance and pledged to payment of the Loan Agreement Payments pursuant to the Ordinance and described on the Term Sheet.

“Principal Component” means the portion of each Loan Agreement Payment paid as principal on this Loan Agreement as shown on Exhibit “B” hereto.

“Program Account” means the account in the name of the Governmental Unit established pursuant to the Indenture and held by the Trustee for the deposit of the net proceeds of this Loan Agreement for disbursement to the Governmental Unit for payment of the costs of the Project.

“Project” means the project(s) described on the Term Sheet.

“Tax Ordinance” means Ordinance No. 47 passed and approved by the Governmental Unit pursuant to the Act on July 14, 2014, which imposes the one-fourth of one percent (0.25%) increment of the County Local Option Gross Receipts Tax, known as the county area emergency communications and emergency medical and behavioral health services tax, received pursuant to the Tax Ordinance on the gross receipts of all persons engaging in business within the Governmental Unit.

“Term Sheet” means Exhibit “A” attached hereto.

“Trustee” means BOKF, NA, Albuquerque, New Mexico, or any successor trust company, national or state banking association or financial institution at the time appointed the Trustee by the Finance Authority.

“Unassigned Rights” means the rights of the Finance Authority to receive payment of the administrative expenses, reports and indemnity against claims pursuant to the provisions of this Loan Agreement which are withheld in the granting clauses of the Indenture from the pledge, assignment and transfer of this Loan Agreement to the Trustee.

ARTICLE II REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1 Representations, Covenants and Warranties of the Governmental Unit. The Governmental Unit represents, covenants and warrants:

(a) Binding Nature of Covenants. All covenants, stipulations, obligations and agreements of the Governmental Unit contained in this Loan Agreement shall be deemed to be the covenants, stipulations, obligations and agreements of the Governmental Unit to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Governmental Unit and its successors and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Loan Agreement, all rights, powers and privileges conferred and duties and liabilities imposed upon the

Governmental Unit by the provisions of this Loan Agreement and the Ordinance shall be exercised or performed by the Governmental Unit or by such members, officers, or officials of the Governmental Unit as may be required by law to exercise such powers and to perform such duties.

(b) Personal Liability. No covenant, stipulation, obligation or agreement contained in this Loan Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any officer, agent or employee of the Governmental Unit or member of the Governing Body in his or her individual capacity, and neither the members of the Governing Body nor any officer, agent or employee of the Governmental Unit executing this Loan Agreement shall be liable personally on this Loan Agreement or be subject to any personal liability or accountability by reason of the execution and delivery thereof.

(c) Authorization of Loan Agreement and Intercept Agreement. The Governmental Unit is a political subdivision of the State and is duly organized and existing under the statutes and laws of the State. Pursuant to the Act, as amended and supplemented from time to time, the Governmental Unit is authorized by the Act to enter into the transactions contemplated by this Loan Agreement and the Intercept Agreement and to carry out its obligations hereunder and thereunder. The Governmental Unit has duly authorized and approved the execution and delivery of this Loan Agreement, the Intercept Agreement, and the other documents related to the transaction.

(d) Use of Loan Agreement Proceeds. The Governmental Unit shall proceed without delay in applying the proceeds of this Loan Agreement (less the deposits to the Loan Agreement Reserve Account, if any, and the Finance Authority Debt Service Account) to the acquisition of the Project.

(e) Payment of Loan Agreement. The Governmental Unit shall promptly pay Loan Agreement Payments, as specified in Exhibit "B" hereto, according to the true intent and meaning of this Loan Agreement. Loan Agreement Payments are payable solely from the Pledged Revenues or from the proceeds of refunding bonds or other refunding obligations which the Governmental Unit may hereafter issue in its sole discretion and which are payable from the Pledged Revenues; and nothing in this Loan Agreement shall be construed as obligating the Governmental Unit to pay Loan Agreement Payments from any general or other fund of the Governmental Unit other than such special funds. Nothing contained in this Loan Agreement, however, shall be construed as prohibiting the Governmental Unit in its sole and absolute discretion, from making such payments from any moneys which may be lawfully used, and which are legally available, for that purpose.

(f) Acquisition and Completion of Project. The Project will consist of acquiring and completing construction and renovations to a county-owned building to serve as the location for the TQRECC. The Project will be acquired and completed so as to comply with all applicable ordinances, resolutions and regulations, if any, and any and all applicable laws relating to the acquisition and completion of the Project and to the use of the Pledged Revenues. The Project complies with NMSA 1978, Section 7-20E-22, as amended.

(g) Necessity of Project. The acquisition of the Project under the terms and conditions provided for in this Loan Agreement is necessary, convenient and in furtherance of the

governmental purposes of the Governmental Unit and is in the best interests of the Governmental Unit and its residents.

(h) Legal, Valid and Binding Special Obligation. The Governmental Unit has taken all required action necessary to authorize the execution and delivery of this Loan Agreement and the Intercept Agreement, and this Loan Agreement and the Intercept Agreement constitute legal, valid and binding special obligations of the Governmental Unit enforceable in accordance with their terms.

(i) Loan Agreement Term. The weighted average maturity of 5.1842 years of the Loan Agreement does not exceed 120% of the reasonably expected life of the Project which is at least twenty (20) years.

(j) Use of Project. During the Loan Agreement Term, the Project will at all times be used for the purpose of benefiting the Governmental Unit as a whole.

(k) No Private Activity. The Governmental Unit is a "governmental unit" within the meaning of Sections 103 and 141(b)(6) of the Code. In addition, no amounts disbursed from the Program Account and used to finance the Project shall be used in the trade or business of a person who is not a "governmental unit" within the meaning of Sections 103 and 141(b)(6) of the Code.

(l) No Excess Loan Agreement Proceeds. The amount loaned to the Governmental Unit under this Loan Agreement as set forth on the Term Sheet does not exceed the sum of: (i) the cost of the Project; (ii) the Loan Agreement Reserve Requirement; and (iii) an amount necessary to pay the costs related to issuance of the Bonds, if any.

(m) No Breach or Default Caused by Loan Agreement or Intercept Agreement. Neither the execution and delivery of this Loan Agreement and the Intercept Agreement, nor the fulfillment of or compliance with the terms and conditions in this Loan Agreement and the Intercept Agreement, nor the consummation of the transactions contemplated herein and therein, conflicts with or results in a breach of terms, conditions or provisions of any restriction or any agreement or instrument to which the Governmental Unit is a party or by which the Governmental Unit is bound or any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Governmental Unit or its properties are subject, or constitutes a default under any of the foregoing.

(n) Irrevocable Enactments. While this Loan Agreement remains outstanding and unpaid, any ordinance, resolution or other enactment of the Governing Body applying the Pledged Revenues for the payment of this Loan Agreement, including the Tax Ordinance and the Ordinance, shall be irrevocable until this Loan Agreement has been paid in full as to both principal and interest, and shall not be subject to amendment or modification in any manner which would in any way jeopardize the timely payment of Loan Agreement Payments.

(o) Outstanding Debt. Except for the Parity Obligations, if any, described on the Term Sheet, there are currently no outstanding bonds, notes or other obligations of the Governmental Unit which are payable from and secured by a parity lien on the Pledged Revenues.

No additional indebtedness, bonds or notes of the Governmental Unit payable on a priority ahead of the indebtedness herein authorized out of the Pledged Revenues shall be created or incurred while this Loan Agreement remains outstanding. Prior to entering into additional indebtedness to be secured by a parity lien on the Pledged Revenues, the Governmental Unit shall comply with the terms of Section 5.5 hereof and shall seek the written consent of the Finance Authority, such consent shall not be unreasonably withheld. During the term of this Loan Agreement, prior to entering into any indebtedness secured by a subordinate lien on the Pledged Revenues or a lien on any revenues of the Governmental Unit other than the Pledged Revenues, the Governmental Unit shall notify the Finance Authority in writing of such indebtedness.

(p) No Litigation. To the knowledge of the Governmental Unit, no litigation or proceeding is pending or threatened against the Governmental Unit or any other person affecting the right of the Governmental Unit to execute or deliver this Loan Agreement or the Intercept Agreement or to comply with its obligations under this Loan Agreement or the Intercept Agreement. Neither, the execution and delivery of this Loan Agreement or the Intercept Agreement by the Governmental Unit nor compliance by the Governmental Unit with the obligations under such agreements, requires the approval of any regulatory body, or any other entity, which approval has not been obtained or which is not reasonably expected to be obtained.

(q) No Event of Default. No event has occurred and no condition exists which, upon the execution and delivery of this Loan Agreement and the Intercept Agreement, would constitute an Event of Default on the part of the Governmental Unit under this Loan Agreement or the Intercept Agreement.

(r) Pledged Revenues Not Budgeted. The portion of the Pledged Revenues necessary to pay the Loan Agreement Payments, as and when due, is not needed or budgeted to pay current or anticipated operational or other expenses of the Governmental Unit.

(s) Expected Coverage Ratio. The Pledged Revenues (giving credit for any increase in Pledged Revenues which has received final approval of the Governing Body and become effective) from the Fiscal Year immediately preceding the Closing Date were equal to or exceeded, and, on an ongoing basis during each year of the Loan Agreement Term, are reasonably expected to equal or exceed, one hundred twenty-five percent (125%) of the maximum Aggregate Annual Debt Service Requirement.

(t) No Extension of Interest Payments. The Governmental Unit will not extend or be a party to the extension of the time for paying any interest on this Loan Agreement.

(u) Governmental Unit's Existence. The Governmental Unit will maintain its corporate identity and existence so long as this Loan Agreement is unpaid, unless another political subdivision by operation of law succeeds to the liabilities and rights of the Governmental Unit without adversely affecting to any substantial degree the privileges and rights of the Finance Authority.

(v) Continuing Disclosure. The Governmental Unit covenants that it shall provide continuing disclosure to the Finance Authority, as the Finance Authority may require, that shall include, but not be limited to: annual audits, operational data required to update information

in any disclosure documents used to assign or securitize the Loan Agreement Payments by issuance of Bonds by the Finance Authority pursuant to the Indenture, and notification of any event deemed material by the Finance Authority.

(w) Tax Covenants. The Governmental Unit covenants that it shall restrict the use of the proceeds of this Loan Agreement in such manner and to such extent, if any, as may be necessary so that this Loan Agreement will not constitute an arbitrage bond under Section 148 of the Code and that it shall pay any applicable rebate to the Internal Revenue Service. Authorized Officers are hereby authorized and directed to execute an Arbitrage and Tax Certificate as may be required by the Finance Authority and such additional certificates as shall be necessary to establish that this Loan Agreement is not an "arbitrage bond" within the meaning of Section 148 of the Code and the Treasury Regulations promulgated or proposed with respect thereto, including Treasury Regulation Sections 1.148-1 through 1.148-11, 1.149 and 1.150 as the same currently exist, or may from time to time hereafter be amended, supplemented or revised. The Governmental Unit covenants to comply with the provisions of any such Arbitrage and Tax Certificate and the provisions thereof will be incorporated herein by reference to the same extent as if set forth herein. The Governmental Unit covenants that no use will be made of the proceeds of this Loan Agreement, or any funds or accounts of the Governmental Unit which may be deemed to be Gross Proceeds (as defined in Treasury Regulation Section 1.148-1(b)) of this Loan Agreement, which use, if it had been reasonably expected on the Closing Date, would have caused this Loan Agreement to be classified as an "arbitrage bond" within the meaning of Section 148 of the Code. Pursuant to this covenant, the Governmental Unit obligates itself to comply throughout the Loan Agreement Term with the requirements of Sections 103 and 141 through 150 of the Code and the regulations proposed or promulgated with respect thereto. The Governmental Unit further represents and covenants that no bonds or other evidence of indebtedness of the Governmental Unit payable from substantially the same source as this Loan Agreement have been or will be issued, sold or delivered within fifteen (15) days prior to or subsequent to the Closing Date. The Governmental Unit hereby further represents and covenants to comply with Section 7.6 hereof, which designates this Loan Agreement as a "qualified tax-exempt obligation" for the purposes of Section 265(b)(3) of the Code.

(x) Pledged Revenues Covenants. The Governing Body has duly adopted the Tax Ordinance imposing the one-fourth of one percent (0.25%) increment of County Local Option Gross Receipts Tax, known as the county area emergency communications and emergency medical and behavioral health services tax, which constitutes the Pledged Revenues. The Tax Ordinance has not been repealed or superseded and is in full force and effect.

(y) Notice of Termination of JPA. The Governmental Unit will notify the Finance Authority, in writing, within 10 days of receipt of notice that the JPA will be terminated. In the event the JPA is terminated, the Governmental Unit covenants that the Project will remain consistent with the dedication in the Tax Ordinance throughout the Loan Agreement Term.

Section 2.2 Representations, Covenants and Warranties of the Finance Authority. The Finance Authority represents, covenants and warrants for the benefit of the Governmental Unit as follows:

(a) Authorization of Loan Agreement and Intercept Agreement. The Finance Authority is a public body politic and corporate constituting a governmental instrumentality, separate and apart from the State, duly organized, existing and in good standing under the laws of the State, has all necessary power and authority to enter into and perform and observe the covenants and agreements on its part contained in this Loan Agreement and the Intercept Agreement and, by proper action, has duly authorized the execution and delivery of this Loan Agreement and the Intercept Agreement based upon the Finance Authority's findings that:

(ii) The Governmental Unit is a disadvantaged qualified entity in that its median household income is \$43,698, which is less than eighty percent (80%) of the State median household income of \$62,425.

(iii) The Project is important to the overall capital needs of the State and directly enhances the health and safety of the residents of the Governmental Unit.

(b) Assignment of Rights. The Finance Authority may not pledge or assign the Pledged Revenues, the Loan Agreement Payments or any of its other rights under this Loan Agreement and the Intercept Agreement except to the Trustee pursuant to the Indenture.

(c) No Breach or Default Caused by Loan Agreement or Intercept Agreement. Neither the execution and delivery of this Loan Agreement or the Intercept Agreement, nor the fulfillment of or compliance with the terms and conditions of this Loan Agreement or the Intercept Agreement, nor the consummation of the transactions contemplated in this Loan Agreement or the Intercept Agreement, conflicts with or results in a breach of the terms, conditions and provisions of any restriction or any agreement or instrument to which the Finance Authority is a party or by which the Finance Authority is bound or constitutes a default under any of the foregoing and will not conflict with or constitute a violation of any constitutional or statutory provision or order, rule, regulation, decree or resolution of any court, government or governmental authority having jurisdiction over the Finance Authority or its property, and which conflict or violation will have a material adverse effect on the Finance Authority or the financing of the Project.

(d) No Litigation. To the knowledge of the Finance Authority, there is no litigation or proceeding pending or threatened against the Finance Authority or any other person affecting the right of the Finance Authority to execute or deliver this Loan Agreement or the Intercept Agreement, or to comply with its obligations under this Loan Agreement or the Intercept Agreement. Neither, the execution and delivery of this Loan Agreement or the Intercept Agreement by the Finance Authority, nor compliance by the Finance Authority with its obligations under this Loan Agreement and the Intercept Agreement, requires the approval of any regulatory body, or any other entity, which approval has not been obtained.

(e) Legal, Valid and Binding Obligations. This Loan Agreement and the Intercept Agreement constitute the legal, valid and binding obligations of the Finance Authority enforceable in accordance with their terms.

(f) Tax-Exempt Reimbursement of Amount Loaned. The Finance Authority intends to reimburse the public project revolving fund (as defined in the Finance Authority Act)

for the amount of the Loan from the proceeds of tax-exempt bonds which the Finance Authority expects to issue within eighteen (18) months of the Closing Date.

ARTICLE III LOAN AGREEMENT TERM

The Loan Agreement Term shall commence on the Closing Date and shall not terminate until this Loan Agreement has been paid in full or provision for the payment of this Loan Agreement has been made pursuant to Article VIII hereof.

ARTICLE IV LOAN; APPLICATION OF MONEYS

On the Closing Date, the Finance Authority shall transfer the Loan Agreement Principal Amount as follows:

(a) To the Trustee, the amount shown on the Term Sheet as the Program Account deposit shall be deposited into the Governmental Unit's Program Account to be maintained by the Trustee pursuant to the Indenture and disbursed pursuant to Section 6.2 hereof at the direction of the Governmental Unit as needed by the Governmental Unit for the Project; and

(b) To the Trustee, the amount shown on the Term Sheet as the Loan Agreement Reserve Account deposit shall be deposited in the Governmental Unit's account maintained in the Loan Agreement Reserve Fund by the Trustee pursuant to the Indenture; and

(c) To the Finance Authority, the amount shown on the Term Sheet as the Finance Authority Debt Service Account deposit shall be deposited into the Finance Authority Debt Service Account to be maintained by the Finance Authority or its assignee and utilized as provided in Section 5.2 hereof; and

ARTICLE V LOAN TO THE GOVERNMENTAL UNIT; PAYMENTS BY THE GOVERNMENTAL UNIT

Section 5.1 Loan to the Governmental Unit; Payment Obligations Limited to Pledged Revenues; Pledge of Pledged Revenues. The Finance Authority hereby lends to the Governmental Unit and the Governmental Unit hereby borrows from the Finance Authority an amount equal to the Loan Agreement Principal Amount. The Governmental Unit promises to pay, but solely from the sources pledged herein, the Loan Agreement Payments as herein provided. The Governmental Unit does hereby convey, assign and pledge unto the Finance Authority and unto its successors in trust forever all right, title and interest of the Governmental Unit in and to: (i) the Pledged Revenues to the extent required to pay the Loan Agreement Payments on parity with the Parity Obligations; (ii) the Finance Authority Debt Service Account, such account being held by the Finance Authority; (iii) the Program Account and the Loan Agreement Reserve Account, such accounts being held by the Trustee, and; (iv) all other rights hereinafter granted, for the securing of the Governmental Unit's obligations under this Loan Agreement, including payment of the Loan Agreement Payments and Additional Payment Obligations; provided, however, that if the Governmental Unit, its successors or assigns, shall well and truly pay, or cause to be paid, all Loan

Agreement Payments at the time and in the manner contemplated by this Loan Agreement, then, upon such final payment or provision for payment by the Governmental Unit, this Loan Agreement and the rights created thereby shall terminate; otherwise, this Loan Agreement shall remain in full force and effect. The Loan Agreement Payments shall, in the aggregate, be sufficient to pay the Principal Component and Interest Component when due, the payment schedule of which is attached hereto as Exhibit "B."

The pledge of the Pledged Revenues and the lien thereon shall be effective upon the Closing Date. The Governmental Unit and the Finance Authority acknowledge and agree that the Loan Agreement Payments of the Governmental Unit hereunder are limited to the Pledged Revenues, and that this Loan Agreement shall constitute a special, limited obligation of the Governmental Unit. No provision of this Loan Agreement shall be construed or interpreted as creating a general obligation or other indebtedness of the Governmental Unit within the meaning of any constitutional or statutory debt limitation. No provision of this Loan Agreement shall be construed to pledge or to create a lien on any class or source of Governmental Unit moneys other than the Pledged Revenues, nor shall any provision of this Loan Agreement restrict the future issuance of any bonds or obligations payable from any class or source of Governmental Unit moneys other than the Pledged Revenues. In addition, to the extent not required for the payment of obligations of the Governmental Unit hereunder, the Pledged Revenues may be utilized by the Governmental Unit for any other purposes permitted by law.

Section 5.2 Payment Obligations of Governmental Unit. As provided in the Intercept Agreement, the Distributing State Agency shall cause to be transferred from the Pledged Revenues, the amounts provided in subsections (a)(i) and (ii) of this Section 5.2 for deposit into the Finance Authority Debt Service Account and the amount provided in subsection (c) for deposit into the Loan Agreement Reserve Account. The Finance Authority Debt Service Account shall be established and held by the Finance Authority and the Loan Agreement Reserve Account shall be established and held by the Trustee, each on behalf of the Governmental Unit. All Pledged Revenues received by the Finance Authority pursuant to this Section 5.2 shall be accounted for and maintained on an ongoing basis by the Finance Authority in the Finance Authority Debt Service Account and all Loan Agreement Payments shall be remitted to the Trustee. The amounts on deposit in the Finance Authority Debt Service Account and Loan Agreement Reserve Account shall be expended and used by the Finance Authority or the Trustee, as the case may be, only in the manner and order of priority specified below.

(a) As a first charge and lien, but not an exclusive first charge and lien, on the Pledged Revenues (on a parity with the lien on the Pledged Revenues created by any outstanding Parity Obligations), the Governmental Unit shall remit to the Finance Authority, and the Finance Authority shall transfer and deposit into the Finance Authority Debt Service Account the following from the Pledged Revenues received pursuant to the Intercept Agreement from the Governmental Unit, which the Finance Authority shall transfer to the Trustee in accordance with the Indenture:

(i) Interest Components. (A) Monthly, beginning on the first day of the third month following the Closing Date, an amount in equal monthly installments which is necessary to pay the first maturing Interest Component coming due on this Loan Agreement (which is May 1, 2026), and (B) on the first day of each month thereafter, one-sixth (1/6) of the

amount necessary to pay the next maturing Interest Component on this Loan Agreement as described in Exhibit "B";

(ii) Principal Payments. (A) Monthly, beginning on the first day of the third month following the Closing Date, an amount in equal monthly installments which is necessary to pay the first maturing Principal Component (which is May 1, 2026), and (B) on the first day of each month thereafter, one-twelfth (1/12) of the amount which is necessary to pay the next maturing Principal Component on this Loan Agreement during the Loan Agreement Term, as described in Exhibit "B".

(b) Each Loan Agreement Payment shall be transferred by the Finance Authority from the Finance Authority Debt Service Account to the Trustee.

(c) As a second charge and lien on the Pledged Revenues received from the Governmental Unit after deposits in (a) and (b) have been made, the Trustee shall transfer and deposit to the Loan Agreement Reserve Account any amounts necessary to replenish the Loan Agreement Reserve Account to the Loan Agreement Reserve Requirement. Moneys in the Loan Agreement Reserve Account shall be held and administered by the Trustee and shall be used only to prevent deficiencies in the payment of the Principal Component and Interest Component of the Loan Agreement Payments resulting from a failure to deposit into the Finance Authority Debt Service Account sufficient funds to pay debt service requirements on the Loan; provided, that the final two Interest Components and the final Principal Component on the Loan shall be payable from the Loan Agreement Reserve Account. If funds are withdrawn from the Loan Agreement Reserve Account to pay debt service on the Loan, at the direction of the Finance Authority or the Trustee, additional Pledged Revenues shall be deposited into the Loan Agreement Reserve Account in amounts in equal monthly installments sufficient to restore the amount on deposit therein to the Loan Agreement Reserve Requirement within one (1) year following such withdrawal; provided, that no additional Pledged Revenues shall be intercepted to replenish the Loan Agreement Reserve Account following the transfer of the amount in the Loan Agreement Reserve Account to the Finance Authority Debt Service Account for payment of the final two Interest Components and the final Principal Component.

Notwithstanding any other provisions hereof, the Finance Authority shall have the right to waive the requirement of the Loan Agreement Reserve Account and the Loan Agreement Reserve Requirement, and any moneys in the Loan Agreement Reserve Account may, at the written direction of the Finance Authority, be applied to the Finance Authority Debt Service Account, or released to the Governmental Unit for the Project or used for any other purposes provided by law. If amounts in the Loan Agreement Reserve Account are released by the Finance Authority, the references in this Loan Agreement to the Loan Agreement Reserve Account and the Loan Agreement Reserve Requirement shall be of no further force and effect.

(d) Subject to the foregoing deposits, the Finance Authority or the Trustee shall annually use the balance of the Pledged Revenues received, if any, at the request of the Governmental Unit: (i) to credit against upcoming Loan Agreement Payments; or (ii) to distribute to the Governmental Unit for any purpose permitted by law.

Section 5.3 Manner of Payment. All payments of the Governmental Unit hereunder shall be paid in lawful money of the United States of America to the Finance Authority at the address designated in Section 11.1 herein, for remittance to the Trustee. The obligation of the Governmental Unit to make payments hereunder, from and to the extent of the available Pledged Revenues, shall be absolute and unconditional in all events, except as expressly provided hereunder, and payment hereunder shall not be abated through accident or unforeseen circumstances. Notwithstanding any dispute between the Governmental Unit, the Finance Authority, the Trustee, any vendor or any other person, the Governmental Unit shall make all deposits hereunder, from and to the extent of the available Pledged Revenues, when due and shall not withhold any deposit hereunder pending final resolution of such dispute, nor shall the Governmental Unit assert any right of set-off or counterclaim against its obligation to make such deposits required hereunder.

Section 5.4 Disposition of Payments by the Trustee. The Trustee shall deposit all moneys received from the Finance Authority under this Loan Agreement in accordance with the Indenture.

Section 5.5 Additional Parity Obligations. No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional Parity Obligations payable from the Pledged Revenues, nor to prevent the issuance of bonds or other obligations refunding all or a part of this Loan Agreement; provided, however, that before any such additional Parity Obligations are actually issued (excluding refunding bonds or refunding obligations which refund Parity Obligations but including parity refunding bonds and obligations which refund subordinate obligations as provided in Section 5.6 hereof), the Governmental Unit shall obtain the written consent of the Finance Authority and it must be determined that:

(a) The Governmental Unit is then current in all of the accumulations required to be made into the Finance Authority Debt Service Account and the Loan Agreement Reserve Account as provided herein.

(b) No default shall exist in connection with any of the covenants or requirements of the Ordinance or this Loan Agreement.

(c) The Pledged Revenues received by or credited to the Governmental Unit for the Fiscal Year or for any twelve (12) consecutive months out of the twenty-four (24) months preceding the date of the issuance of such additional Parity Obligations (the "Historic Test Period") shall have been sufficient to pay an amount representing one hundred twenty-five percent (125%) of the combined maximum Aggregate Annual Debt Service Requirement coming due in any subsequent Fiscal Year on the then outstanding Parity Obligations and the Parity Obligations proposed to be issued (excluding the accumulation of any reserves therefor).

(d) A written certification or opinion by the Governmental Unit's Treasurer or chief financial officer or by an Independent Accountant that the Pledged Revenues for the Historic Test Period are sufficient to pay said amounts, shall be conclusively presumed to be accurate in determining the right of the Governmental Unit to authorize, issue, sell and deliver the Parity Obligations proposed to be issued.

(e) With prior written notice to the Finance Authority, no provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional bonds or other obligations payable from the Pledged Revenues constituting a lien upon such Pledged Revenues subordinate and junior to the lien of this Loan Agreement nor to prevent the issuance of bonds or other obligations refunding all or part of this Loan Agreement as permitted by Section 5.6 hereof.

(f) The Governmental Unit shall not issue bonds or other obligations payable from the Pledged Revenues having a lien thereon prior and superior to this Loan Agreement.

Section 5.6 Refunding Obligations. The provisions of Section 5.5 hereof are subject to the following exceptions:

(a) If at any time after the Closing Date, while this Loan Agreement, or any part thereof, is outstanding, the Governmental Unit shall find it desirable to refund any outstanding bonds or other outstanding obligations payable from the Pledged Revenues, this Loan Agreement, such bonds or other obligations, or any part thereof, may be refunded (but the holders of this Loan Agreement or bonds to be refunded may not be compelled to surrender this Loan Agreement or their bonds, unless this Loan Agreement, the bonds or other obligations, at the time of their required surrender for payment, shall then mature, or shall then be callable for prior redemption at the Governmental Unit's option), regardless of whether the priority of the lien for the payment of the refunding obligations on the Pledged Revenues is changed, except as provided in subparagraph (e) of Section 5.5 hereof and in subparagraphs (b) and (c) of this Section.

(b) No refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued on a parity with this Loan Agreement unless:

(i) The outstanding obligations so refunded are Parity Obligations and the refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest obligations evidenced by such refunded obligations; or

(ii) The refunding bonds or other refunding obligations are issued in compliance with Section 5.5 hereof.

(c) The refunding bonds or other obligations so issued shall enjoy complete equality of lien on the Pledged Revenues with the portion of this Loan Agreement or any bonds or other obligations of the same issue which is not refunded, if any; and the holder or holders of such refunding bonds or such other refunding obligations shall be subrogated to all of the rights and privileges enjoyed by the holder or holders of this Loan Agreement or the bonds or other obligations of the same issue refunded thereby. If only a part of this Loan Agreement or the outstanding bonds and any other outstanding obligations of any issue or issues payable from the Pledged Revenues is refunded, then such obligations may not be refunded without the consent of the holder or holders of the unrefunded portion of such obligations, unless:

(i) The refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest obligations evidenced by such refunded obligations

and by the outstanding obligations not refunded on and prior to the last maturity date of such unrefunded obligations; or

(ii) The refunding bonds or other refunding obligations are issued in compliance with Section 5.5 hereof; or

(iii) The lien on the Pledged Revenues for the payment of the refunding obligations is subordinate to each such lien for the payment of any obligations not refunded.

(d) Any refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued with such details as the Governmental Unit may provide by ordinance or resolution, but without any impairment of any contractual obligations imposed upon the Governmental Unit by any proceedings authorizing the issuance of any unrefunded portion of such outstanding obligations of any one or more issues (including, but not necessarily limited to, this Loan Agreement).

Section 5.7 Investment of Governmental Unit Funds. Money on deposit in the Finance Authority Debt Service Account established by the Finance Authority for the Governmental Unit may be invested by the Finance Authority in Permitted Investments at the discretion of the Finance Authority. Money on deposit in the Program Account and the Loan Agreement Reserve Account held by the Trustee and created hereunder may be invested by the Trustee in Permitted Investments at the written direction of the Finance Authority or at the discretion of the Trustee. Any earnings on any of said accounts shall be held and administered in each respective account and utilized in the same manner as the other moneys on deposit therein.

Section 5.8 Governmental Unit May Budget for Payments. The Governmental Unit may, in its sole discretion, but without obligation and subject to the Constitution of the State, governing laws, and its budgetary requirements, make available properly budgeted and legally available funds to defray any insufficiency of Pledged Revenues to pay Loan Agreement Payments; provided, however, the Governmental Unit has not covenanted and cannot covenant to make such funds available and has not pledged any of such funds for such purpose.

ARTICLE VI THE PROJECT

Section 6.1 Agreement to Acquire the Project. The Governmental Unit hereby agrees that to effectuate the purposes of this Loan Agreement and to effectuate the acquisition and completion of the Project, it shall make, execute, acknowledge and transmit any contracts, orders, receipts, writings and instructions with any other persons, firms or corporations and, in general, do all things which may be requisite or proper to acquire the Project. The Governmental Unit agrees to acquire and complete the Project through the application of moneys to be disbursed from the Program Account pursuant to Section 6.2 of this Loan Agreement.

Section 6.2 Disbursements From the Program Account. So long as no Event of Default shall occur, the Trustee shall disburse moneys from the Program Account in accordance with Section 6.2 of the Indenture upon receipt by the Trustee of a requisition substantially in the form of Exhibit "C" attached hereto signed by an Authorized Officer of the Governmental Unit.

No disbursement shall be made from the Program Account without the approval of Bond Counsel: (i) to reimburse the Governmental Unit's own funds for expenditures made prior to the Closing Date; (ii) to refund or advance refund any tax-exempt obligations issued by or on behalf of the Governmental Unit; (iii) to be used, directly or indirectly, to finance a project used or to be used in the trade or business of a person who is not a "governmental unit," within the meaning of Section 141(b)(6) of the Code; or (iv) to expend funds after the date that is three (3) years after the execution and delivery of this Loan Agreement.

Section 6.3 Completion of the Project. Upon completion of the Project, an Authorized Officer of the Governmental Unit shall deliver a certificate to the Finance Authority and the Trustee substantially in the form of Exhibit "D" attached hereto stating that, to the best of his or her knowledge, the Project has been completed and accepted by the Governmental Unit, and all costs have been paid. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

Section 6.4 Application of Loan Agreement Proceeds Subsequent to Completion of the Project. Upon completion of the Project as signified by delivery of the completion certificate contemplated in Section 6.3 hereof or in the event that the Finance Authority and the Trustee shall not have received a certificate of completion as required by Section 6.3 hereof by the date three (3) years from the Closing Date (or such later date as is approved in writing by Bond Counsel), the Trustee shall transfer the amounts remaining in the Program Account (except amounts necessary for payment of amounts not then due and payable) to the Finance Authority Debt Service Account and such amounts shall be used for the payment of Loan Agreement Payments.

ARTICLE VII COMPLIANCE WITH LAWS AND RULES; OTHER COVENANTS

Section 7.1 Further Assurances and Corrective Instruments. The Finance Authority and the Governmental Unit agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or of the Pledged Revenues, or for otherwise carrying out the intention hereof.

Section 7.2 Finance Authority and Governmental Unit Representatives. Whenever under the provisions hereof the approval of the Finance Authority or the Governmental Unit is required, or the Governmental Unit or the Finance Authority is required to take some action at the request of the other, such approval or such request shall be given for the Finance Authority or for the Governmental Unit by an Authorized Officer of the Finance Authority or the Governmental Unit, as the case may be, and any party hereto shall be authorized to act on any such approval or request.

Section 7.3 Requirements of Law. During the Loan Agreement Term, the Governmental Unit and the Finance Authority shall observe and comply promptly with all current and future orders of all courts having jurisdiction over the parties hereto, the Project or the Pledged Revenues.

Section 7.4 First Lien; Equality of Liens. The Loan Agreement Payments constitute an irrevocable first lien (but not necessarily an exclusive first lien) upon the Pledged Revenues. The Governmental Unit covenants that the Loan Agreement Payments and any Parity Obligations herein authorized to be issued and from time to time outstanding shall be equitably and ratably secured by a first lien on the Pledged Revenues and shall not be entitled to any priority one over the other in the application of the Pledged Revenues regardless of the time or times of the issuance of such obligations, it being the intention of the Governmental Unit that there shall be no priority between the Loan Agreement Payments and any such Parity Obligations regardless of the fact that they may be actually issued and delivered at different times.

Section 7.5 Expeditious Completion. The Governmental Unit shall complete the Project with all practical dispatch.

Section 7.6 Bank Designation of Loan Agreement. For purposes of and in accordance with Section 265 of the Code, the Governmental Unit hereby designates this Loan Agreement as an issue qualifying for the exception for certain qualified tax-exempt obligations to the rule denying banks and other financial institutions 100% of the deduction for interest expenses which is allocable to tax-exempt interest. The Governmental Unit reasonably anticipates that the total amount of tax exempt obligations (other than obligations described in Section 265(b)(3)(C)(ii) of the Code) which will be issued by the Governmental Unit and by any aggregated issuer during the current calendar year will not exceed \$10,000,000. For purposes of this Section 7.6, "aggregated issuer" means any entity which: (i) issues obligations on behalf of the Governmental Unit; (ii) derives its issuing authority from the Governmental Unit; or (iii) is controlled directly or indirectly by the Governmental Unit within the meaning of Treasury Regulation Section 1.150-1(e). The Governmental Unit hereby represents that: (a) it has not created and does not intend to create and does not expect to benefit from any entity formed or availed of to avoid the purposes of Section 265(b)(3)(C) or (D) of the Code; and (b) the total amount of obligations so designated by the Governmental Unit, and all aggregated issuers for the current calendar year, does not exceed \$10,000,000.

Section 7.7 Arbitrage Rebate Exemption. The Governmental Unit hereby certifies and warrants, for the purpose of qualifying for the exception contained in Section 148(f)(4)(D) of the Code, to the requirement to rebate arbitrage earnings from investments of the proceeds of the Loan Agreement (the "Rebate Exemption"), that: (i) this Loan Agreement is issued by the Governmental Unit which has general taxing powers; (ii) neither this Loan Agreement nor any portion thereof is a private activity bond as defined in Section 141 of the Code ("Private Activity Bond"); (iii) all of the net proceeds of this Loan Agreement are to be used for local government activities of the Governmental Unit (or of a governmental unit, the jurisdiction of which is entirely within the jurisdiction of the Governmental Unit); and (iv) neither the Governmental Unit nor any aggregated issuer has issued or is reasonably expected to issue any Tax-Exempt Bonds other than (A) Private Activity Bonds (as those terms are used in Section 148(f)(4)(D) of the Code) and (B) issued to refund (other than to advance refund (as used in the Code)) any bond to the extent the amount of the refunding bond does not exceed the outstanding amount of the refunded bond, during the current calendar year, which would in the aggregate amount exceed \$5,000,000. For purposes of this paragraph, "aggregated issuer" means any entity which: (a) issues obligations on behalf of the Governmental Unit; (b) derives its issuing authority from the Governmental Unit; or (c) is controlled directly or indirectly by the Governmental Unit within the meaning of Treasury

Regulation Section 1.150-1(e). The Governmental Unit hereby represents that it has not created, does not intend to create and does not expect to benefit from any entity formed or availed of to avoid the purposes of Section 148(f)(4)(D) of the Code.

Accordingly, with respect to the Loan Agreement, the Governmental Unit will qualify for the rebate exemption granted under Section 148(f)(4)(D) of the Code and the Governmental Unit shall be treated as meeting the requirements of paragraphs (2) and (3) of Section 148(f) of the Code relating to the required rebate of arbitrage earnings to the United States.

The Governmental Unit hereby further represents and covenants that if it is determined that rebatable arbitrage, as that term is defined under Section 148 of the Code and related regulations, is required to be paid to the United States, that it will pay such rebatable arbitrage.

ARTICLE VIII PREPAYMENT OF LOAN AGREEMENT PAYMENTS

Section 8.1 Prepayment. There is no option to prepay this Loan Agreement in whole or in part, unless as described below.

Section 8.2 Defeasance. Should the Governmental Unit pay or make provision for payment of the Loan such that all amounts due pursuant to this Loan Agreement shall be deemed to have been paid and defeased, then the Loan Agreement Payments hereunder shall also be deemed to have been paid, the Governmental Unit's payment obligations hereunder shall be terminated, this Loan Agreement and all obligations contained herein shall be discharged and the pledge hereof released. Such payment shall be deemed made when the Governmental Unit has deposited with an escrow agent, in trust, (i) moneys sufficient to make such payment, and/or (ii) noncallable Government Obligations maturing as to principal and interest in such amount and at such times as will ensure the availability of sufficient moneys to make such payment and when all necessary and proper expenses of the Finance Authority have been paid or provided for. In the event the Governmental Unit makes provisions for defeasance of this Loan Agreement, the Governmental Unit shall cause to be delivered (1) a report of an independent nationally recognized certified public accountant verifying the sufficiency of the escrow established to pay this Loan Agreement in full when due or upon an irrevocably designated prepayment date, and (2) an opinion of Bond Counsel to the effect that this Loan Agreement is no longer outstanding, each of which shall be addressed and delivered to the Finance Authority. Government Obligations within the meaning of this Section 8.2, unless otherwise approved by the Finance Authority, shall include only (1) cash, (2) U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series – "SLGs"), and (3) obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

ARTICLE IX INDEMNIFICATION

From and to the extent of the Pledged Revenues, to the extent permitted by law, the Governmental Unit shall and hereby agrees to indemnify and save the Finance Authority and the Trustee harmless against and from all claims, by or on behalf of any person, firm, corporation or other legal entity arising from the acquisition or operation of the Project during the Loan

Agreement Term, from: (i) any act of negligence or other misconduct of the Governmental Unit or breach of any covenant or warranty by the Governmental Unit hereunder; and (ii) the incurrence of any cost or expense in connection with the acquisition or operation of the Project in excess of the Loan Agreement proceeds and interest on the investment thereof. The Governmental Unit shall indemnify and save the Finance Authority and the Trustee harmless, from and to the extent of the available Pledged Revenues, from any such claim arising as aforesaid from (i) or (ii) above, or in connection with any action or proceeding brought thereon and, upon notice from the Finance Authority or the Trustee, shall defend the Finance Authority or the Trustee, as applicable, in any such action or proceeding.

ARTICLE X EVENTS OF DEFAULT AND REMEDIES

Section 10.1 Events of Default Defined. Any one of the following shall be an Event of Default under this Loan Agreement:

(a) Failure by the Governmental Unit to pay any amount required to be paid under this Loan Agreement on the date on which it is due and payable;

(b) Failure by the Governmental Unit to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Loan Agreement, other than as referred to in paragraph (a), for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to the Governmental Unit by the Finance Authority or the Trustee unless the Finance Authority and the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the Finance Authority or the Trustee but cannot be cured within the applicable thirty (30) day period, the Finance Authority and the Trustee will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Governmental Unit within the applicable period and diligently pursued until the failure is corrected; and provided, further, that if by reason of force majeure the Governmental Unit is unable to carry out the agreements on its part herein contained, the Governmental Unit shall not be deemed in default under this paragraph (b) during the continuance of such inability (but force majeure shall not excuse any other Event of Default);

(c) Any warranty, representation or other statement by or on behalf of the Governmental Unit contained in this Loan Agreement or in any instrument furnished in compliance with or in reference to this Loan Agreement is false or misleading in any material respect;

(d) A petition is filed against the Governmental Unit under any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within thirty (30) days after such filing, but the Finance Authority and the Trustee shall have the right to intervene in the proceedings prior to the expiration of such thirty (30) days to protect their interests;

(e) The Governmental Unit files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, moratorium, reorganization, arrangement,

insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under any such law; or

(f) The Governmental Unit admits insolvency or bankruptcy or its inability to pay its debts as they become due or is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including, without limitation, a receiver, liquidator or trustee) of the Governmental Unit for any of its property is appointed by court order or takes possession thereof and such order remains in effect or such possession continues for more than thirty (30) days, but the Finance Authority and the Trustee shall have the right to intervene in the proceedings prior to the expiration of such thirty (30) days to protect their interests.

Section 10.2 Remedies on Default. Whenever any Event of Default has occurred and is continuing and subject to Section 10.3 hereof, the Finance Authority or the Trustee may take any or all of the following actions as may appear necessary or desirable to collect the payments then due and to become due or to enforce performance of any agreement of the Governmental Unit in this Loan Agreement or the Intercept Agreement:

(a) By mandamus or other action or proceeding or suit at law or in equity to enforce the rights of the Finance Authority and the Trustee under this Loan Agreement and the Intercept Agreement against the Governmental Unit, and compel the Governmental Unit to perform or carry out its duties under the law and the agreements and covenants required to be performed by it contained herein; or

(b) By suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Finance Authority or the Trustee; or

(c) Intervene in judicial proceedings that affect this Loan Agreement or the Pledged Revenues; or

(d) Cause the Governmental Unit to account as if it were the trustee of an express trust for all of the Pledged Revenues; or

(e) Take whatever other action at law or in equity may appear necessary or desirable to collect amounts then due and thereafter to become due under this Loan Agreement or to enforce any other of its rights thereunder; or

(f) Apply any amounts in the Program Account toward satisfaction of any of the obligations of the Governmental Unit under this Loan Agreement.

Section 10.3 Limitations on Remedies. A judgment requiring a payment of money entered against the Governmental Unit may reach only the available Pledged Revenues.

Section 10.4 No Remedy Exclusive. Subject to Section 10.3 hereof, no remedy herein conferred upon or reserved to the Finance Authority or the Trustee is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder as now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed

to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Finance Authority or the Trustee to exercise any remedy reserved in this Article X, it shall not be necessary to give any notice, other than such notice as may be required in this Article X.

Section 10.5 Waivers of Events of Default. The Finance Authority or the Trustee may in its discretion waive by written waiver any Event of Default hereunder and the consequences of such an Event of Default provided, however, that there shall not be waived: (i) any Event of Default in the payment of the principal of this Loan Agreement at the date when due as specified herein; or (ii) any default in the payment when due of the interest on this Loan Agreement, unless prior to such waiver or rescission, all arrears of interest, with interest at the rate borne by this Loan Agreement on all arrears of payments of principal and all expenses of the Finance Authority or the Trustee, in connection with such Event of Default shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Finance Authority or the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case, the Finance Authority and the Trustee shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 10.6 No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be in writing and limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 10.7 Agreement to Pay Attorneys' Fees and Expenses. In the event that the Governmental Unit shall default under any of the provisions hereof and the Finance Authority or the Trustee shall employ attorneys or incur other expenses for the collection of payments hereunder, or the enforcement of performance or observance of any obligation or agreement on the part of the Governmental Unit herein contained, the Governmental Unit agrees that it shall on demand therefor pay to the Finance Authority or the Trustee, as applicable, the fees of such attorneys and such other expenses so incurred, to the extent that such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction; provided, however, that the obligation of the Governmental Unit under this Section shall be limited to expenditures from and to the extent of the available Pledged Revenues.

ARTICLE XI MISCELLANEOUS

Section 11.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered as follows: if to the Governmental Unit, PO Box 1246, Tucumcari, New Mexico 88401, Attention: County Manager; if to the Finance Authority, New Mexico Finance Authority, 810 W. San Mateo Road, Santa Fe, New Mexico 87505, Attention: Chief Executive Officer; and if to the Trustee, BOKF, NA, 100 Sun Avenue NE, Suite 500, Albuquerque, New Mexico 87109, Attention: Trust Division. The Governmental Unit, the Finance Authority, and the Trustee may, by notice given hereunder, designate any further

or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 11.2 Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the Finance Authority, the Governmental Unit and their respective successors and assigns, if any.

Section 11.3 Amendments. The Governmental Unit agrees that this Loan Agreement will not be amended without the prior written consent of the Finance Authority, and, if the Loan has been pledged under the Indenture (as defined herein), without the prior written consent of the Trustee (as defined herein), the Finance Authority and the Governmental Unit, pursuant to the Indenture.

Section 11.4 No Liability of Individual Officers, Directors or Trustees. No recourse under or upon any obligation, covenant or agreement contained in this Loan Agreement shall be had against any member, employee, director or officer, as such, past, present or future, of the Finance Authority, either directly or through the Finance Authority, or against any officer, employee, director, trustee or member of the Governing Body, past, present or future, as an individual so long as such individual was acting in good faith. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer, employee, director, trustee or member of the Governing Body or of the Finance Authority is hereby expressly waived and released by the Governmental Unit and by the Finance Authority as a condition of and in consideration for the execution of this Loan Agreement.

Section 11.5 Severability. In the event that any provision of this Loan Agreement, other than the requirement of the Governmental Unit to pay hereunder, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.6 Execution in Counterparts. This Loan Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.7 Assignment by the Finance Authority. Pursuant to the Indenture, this Loan Agreement and the Intercept Agreement may be assigned and transferred by the Finance Authority to the Trustee, which assignment and transfer is hereby acknowledged and approved by the Governmental Unit.

Section 11.8 Compliance with Governing Law. It is hereby declared by the Governing Body that it is the intention of the Governmental Unit by the execution of this Loan Agreement to comply in all respects with the provisions of the New Mexico Constitution and statutes as the same govern the pledge of the Pledged Revenues to payment of all amounts payable under this Loan Agreement.

Section 11.9 Applicable Law. This Loan Agreement shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, the Finance Authority, on behalf of itself, and as approved by the Board of Directors of the Finance Authority on April 24, 2025, has executed this Loan Agreement in its corporate name by its duly authorized officer; and the Governmental Unit has caused this Loan Agreement to be executed in its corporate name and the seal of the Governmental Unit affixed and attested by its duly authorized officers. All of the above are effective as of the date first above written.

NEW MEXICO FINANCE AUTHORITY

By _____
Marquita D. Russel, Chief Executive Officer

PREPARED FOR EXECUTION BY OFFICERS
OF THE NEW MEXICO FINANCE AUTHORITY:
Sutin, Thayer & Browne A Professional Corporation
As Loan Counsel

By _____
Suzanne Wood Bruckner

APPROVED FOR EXECUTION BY OFFICERS OF
THE NEW MEXICO FINANCE AUTHORITY:

By _____
Mark Chaiken, General Counsel

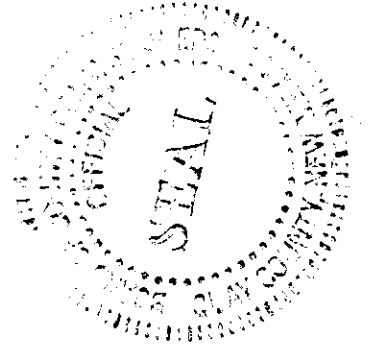
QUAY COUNTY,
NEW MEXICO

[SEAL]

By Jerri Rush
Jerri Rush, Chairwoman

ATTEST:

By Veronica Manley
Veronica Manley, County Clerk



7419966

EXHIBIT "A"

TERM SHEET

New Mexico Finance Authority Loan No. PPRF-6692

Governmental Unit:	Quay County, New Mexico
Project Description:	To construct and renovate a county-owned building to serve as the location for the Tucumcari Quay Regional Emergency Communication Center
Loan Agreement Principal Amount:	\$1,296,134
Disadvantaged Funding Amount:	\$129,614
Pledged Revenues:	The revenues of the one-fourth of one percent (0.25%) of County Local Option Gross Receipts Tax, known as the county area emergency communications and emergency medical and behavioral health services tax, imposed pursuant to Section 7-20E-22, NMSA 1978, as amended, and enacted by Ordinance No. 47 passed and approved by the Governmental Unit on July 14, 2014, and pledged to the payment of the Loan Agreement Payments pursuant to the Ordinance and this Agreement.
Coverage Ratio:	125%
Distributing State Agency:	State of New Mexico Taxation and Revenue Department
Currently Outstanding Parity Obligations:	None
Additional Parity Bonds Test:	125%
Authorizing Legislation:	Ordinance No. 59 adopted on September 8, 2025
Closing Date:	October 24, 2025
Blended Interest Rate:	2.395029%
Program Account Deposit:	\$1,166,520
Loan Agreement Reserve Account Deposit:	\$129,613.40
Finance Authority Debt Service Account Deposit:	\$0.60

First Interest Payment Date: May 1, 2026

First Principal Payment Date: May 1, 2026

Final Payment Date: May 1, 2035

PROGRAM ACCOUNT DEPOSITS MUST BE USED WITHIN THREE YEARS UNLESS A
LATER DATE IS APPROVED IN WRITING TO THE TRUSTEE AND THE FINANCE
AUTHORITY BY BOND COUNSEL TO THE FINANCE AUTHORITY

EXHIBIT "C"

FORM OF REQUISITION

RE: \$1,296,134 Loan Agreement by and between the Quay County, New Mexico, and the New Mexico Finance Authority (the "Loan Agreement").

TO: BOKF, NA
c/o New Mexico Finance Authority
PPRF@nmfa.net

You are hereby authorized to disburse from the Program Account – Quay County, New Mexico (2025 TQRECC Loan), with regard to the above-referenced Loan Agreement the following:

LOAN NO.: PPRF-6692

CLOSING DATE: October 24, 2025

REQUISITION NUMBER:

NAME AND ADDRESS OF PAYEE:

AMOUNT OF PAYMENT:

\$_____

PURPOSE OF PAYMENT:

Each obligation, item of cost or expense mentioned herein is for costs of the Project, is due and payable, has not been the subject of any previous requisition and is a proper charge against the Program Account – Quay County, New Mexico (2025 TQRECC Loan).

All representations contained in the Loan Agreement and the related closing documents remain true and correct and Quay County, New Mexico, is not in breach of any of the covenants contained therein.

If this is the final requisition, payment of costs of the Project is complete or, if not complete, Quay County, New Mexico, shall, and understands its obligation to, complete the acquisition of the Project from other legally available funds.

Capitalized terms used herein, are used as defined or used in the Loan Agreement.

DATED: _____

By: _____
Authorized Officer of Borrower

Title: _____
Print Name and Title

C-1

EXHIBIT "D"

CERTIFICATE OF COMPLETION

RE: \$1,296,134 Loan Agreement by and between the Quay County, New Mexico, and the New Mexico Finance Authority (the "Loan Agreement").

TO: New Mexico Finance Authority
PPRF@nmfa.net

Rich Wood
Senior Vice President, Corporate Trust
BOKF, NA
100 Sun Avenue NE, Suite 500
Albuquerque, New Mexico 87109

LOAN NO.: PPRF-6692

CLOSING DATE: October 24, 2025

In accordance with Section 6.3 of the Loan Agreement, the undersigned states, to the best of his or her knowledge, that the acquisition of the Project has been completed and accepted by the Governmental Unit, and all costs have been paid as of the date of this Certificate. Notwithstanding the foregoing, this certification is given without prejudice to any rights against third parties which exist at the date of this Certificate or which may subsequently come into being.

Capitalized terms used herein, are used as defined or used in the Loan Agreement.

DATED: _____

By: _____
Authorized Officer of Borrower

Title: _____
Print Name and Title

INTERCEPT AGREEMENT

This INTERCEPT AGREEMENT is made and entered into October 24, 2025, by and between the NEW MEXICO FINANCE AUTHORITY (the "Finance Authority"), a public body politic and corporate constituting a governmental instrumentality separate and apart from the State of New Mexico (the "State") under the laws of the State and QUAY COUNTY, NEW MEXICO, a political subdivision duly organized and existing under the laws of the State (the "Governmental Unit").

W I T N E S S E T H:

WHEREAS, Sections 6-21-1 through 6-21-31, NMSA 1978, as amended, authorized the creation of the Finance Authority within the State to assist in financing the cost of public projects of participating qualified entities, including the Governmental Unit, such as the constructing and renovating a county-owned building to serve as the location for the Tucumcari Quay Regional Emergency Communication Center; and

WHEREAS, pursuant to Sections 6-21-1 through 6-21-31, NMSA 1978, as amended, and Sections 4-62-1 through 4-62-10, NMSA 1978, as amended (collectively, the "Act"), the Finance Authority and the Governmental Unit are authorized to enter into agreements to facilitate the financing of the Project as described in the Loan Agreement by and between the Finance Authority and the Governmental Unit of even date herewith (the "Loan Agreement"); and

WHEREAS, the Governmental Unit desires to acquire the Project and such acquisition is permitted under the Act; and

WHEREAS, the Finance Authority has established its Loan Program (the "Program") funded by its public project revolving fund (as defined in the Act) for the financing of infrastructure and equipment projects upon the execution of the Loan Agreement and the assignment of loan agreements to a trustee (the "Trustee"); and

WHEREAS, the Governmental Unit desires to borrow \$1,296,134 from the Program for the purpose of financing the acquisition of the Project, which Loan is to be governed by this Intercept Agreement and by the Loan Agreement; and

WHEREAS, the Act confers upon the Finance Authority the authority to loan funds to the Governmental Unit to finance the Project, and Section 7-1-6.15, NMSA 1978, as amended, authorizes the Governmental Unit to direct that its distribution of one-fourth of one percent (0.25%) increment of County Local Option Gross Receipts Tax revenues, known as the county area emergency communications and emergency medical and behavioral services tax imposed pursuant to Section 7-20E-22, NMSA 1978, as amended, and enacted by Ordinance No. 47 passed and approved by the Governmental Unit on July 14, 2024 (the "Pledged Revenues") from the State Taxation and Revenue Department (the "Distributing State Agency") be paid to the Finance Authority or its assignee, to secure payments under the Loan Agreement;

NOW THEREFORE, the parties hereto agree:

Unless otherwise defined in this Intercept Agreement and except where the context by clear implication otherwise requires, capitalized terms used in this Intercept Agreement shall have for all purposes of this Intercept Agreement the meanings assigned thereto in the Loan Agreement and the Indenture, as defined in the Loan Agreement.

Section 1. Authorization to the Finance Authority. The Governmental Unit hereby recognizes that the Finance Authority has made a Loan to the Governmental Unit in the amount of \$1,296,134 to finance the acquisition of the Project. Pursuant to the Loan Agreement and this Intercept Agreement, the Loan and all Loan Agreement Payments on the Loan made by or on behalf of the Governmental Unit shall be collected by the Finance Authority and remitted to the Trustee. All payments due on the Loan from the Pledged Revenues shall be paid by the Distributing State Agency to the Finance Authority or its designee, on behalf of the Governmental Unit, from scheduled distributions of the Pledged Revenues in accordance with the Intercept Schedule attached hereto as Exhibit "A" (the "Intercept Schedule").

This Intercept Agreement shall be deemed a written certification, authorization and request by the Governmental Unit to the Distributing State Agency to pay to the Finance Authority, on behalf of the Governmental Unit, sums shown on the Intercept Schedule from distributions of the Pledged Revenues pursuant to Section 7-20E-22, NMSA 1978, as amended, to insure compliance with the Loan Agreement and repayment of the Loan. Upon written notice to the Distributing State Agency from the Finance Authority, the amount of the Pledged Revenues to be paid to the Finance Authority shall be increased from the amounts shown on Exhibit "A" to defray any delinquencies in the Finance Authority Debt Service Account or Loan Agreement Reserve Account, if any, established for the Governmental Unit. Any accumulation of the Pledged Revenues in an amount in excess of the next Loan Agreement Payment and the Loan Agreement Reserve Requirement, if any, shall be redirected by the Finance Authority to the benefit of the Governmental Unit on a timely basis as provided in Section 5.2 of the Loan Agreement.

To the extent applicable and to the extent that the Pledged Revenues are insufficient to meet the debt service requirements due on the Loan and other Parity Obligations (as defined in the Loan Agreement) now or hereafter issued or incurred, the amounts intercepted under this Intercept Agreement shall be applied to allow partial payment on a pro-rata basis of the debt service due and owing on the Loan Agreement and other Parity Obligations.

Section 2. Term; Amendments. This Intercept Agreement will remain in full force and effect from its effective date as herein provided until such time as the Loan made pursuant to the Loan Agreement and this Intercept Agreement have been paid in full. Nothing herein shall be deemed in any way to limit or restrict the Governmental Unit from issuing its own obligations, providing its own program or participating in any other program for the financing of public projects which the Governmental Unit may choose to finance. This Intercept Agreement may be amended only by written instrument signed by the parties hereto.

Section 3. Authorization. The execution and performance of the terms of this Intercept Agreement have been authorized and approved by Ordinance No. 59, passed and adopted on September 8, 2025 by the Governing Body of the Governmental Unit, which Ordinance is in full force and effect on the date hereof.

Section 4. Severability of Invalid Provisions. If any one or more of the provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such provision shall be null and void and shall be deemed separable from the remaining provisions and shall in no way affect the validity of any of the other provisions hereof.

Section 5. Counterparts. This Intercept Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 6. Further Authorization. The Governmental Unit agrees that the Finance Authority shall do all things necessary or convenient to the implementation of the Program to facilitate the Loan to the Governmental Unit.

Section 7. Effective Date. This Intercept Agreement shall take effect on the Closing Date of the Loan.

Section 8. Initial Intercept Date. As indicated on the Intercept Schedule, the first distribution of the Pledged Revenues that is to be intercepted by the Distributing State Agency under the terms of this Intercept Agreement consists of Pledged Revenues due to the Governmental Unit distributed January 2026.

Section 9. Final Intercept Date. Once the Loan has been fully paid off and satisfied, Finance Authority shall provide written notice to the Distributing State Agency to discontinue the interception of the Governmental Unit's Pledged Revenues.

[Remainder of page left intentionally blank]

[Signature page follows]

IN WITNESS WHEREOF, the parties to this Intercept Agreement have caused their names to be affixed hereto by the proper officers thereof as of the date first above written.

NEW MEXICO FINANCE AUTHORITY

By _____
Marquita D. Russel, Chief Executive Officer

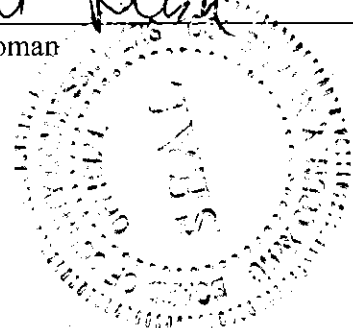
QUAY COUNTY, NEW MEXICO

By Jerri Rush
Jerri Rush, Chairwoman

[SEAL]

ATTEST:

By Veronica Manley
Veronica Manley, County Clerk



Acknowledged:

By _____
Taxation and Revenue Department

Date _____

EXHIBIT "A"

INTERCEPT SCHEDULE

QUAY COUNTY, NEW MEXICO

Payment Dates	Pledged Revenues	Amount
Monthly, beginning:	The revenues of the one-fourth of one percent (0.25%) of County Local Option Gross Receipts Tax, known as the county area emergency communications and emergency medical and behavioral health services tax, imposed pursuant to Section 7-20E-22, NMSA 1978, as amended, and enacted by Ordinance No. 47 passed and approved by the Governmental Unit on July 14, 2014, and pledged to the payment of the Loan Agreement Payments pursuant to the Ordinance and this Agreement.	
January 2026 – April 2026		\$36,426.58
May 2026 – April 2027		\$12,142.25
May 2027 – April 2028		\$12,142.26
May 2028 – April 2029		\$12,142.18
May 2029 – April 2030		\$12,142.21
May 2030 – April 2031		\$12,142.19
May 2031 – April 2032		\$12,142.23
May 2032 – April 2033		\$12,142.19
May 2033 – April 2034		\$12,142.21
May 2034 – April 2035		\$12,142.27

7419971

\$1,296,134
QUAY COUNTY, NEW MEXICO
NEW MEXICO FINANCE AUTHORITY LOAN

STATE OF NEW MEXICO)
) ss. GENERAL AND NO LITIGATION
COUNTY OF QUAY) CERTIFICATE

IT IS HEREBY CERTIFIED by the undersigned, the duly elected and chosen, Chairwoman, Finance Director, County Clerk and Attorney for Quay County, New Mexico (the “Governmental Unit”) in the State of New Mexico (the “State”) (provided, that the Attorney for the Governmental Unit is certifying only as to Paragraphs 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 13, 14, 16, 17, 18, 20, 21, 22, 24 and 25 hereof):

Capitalized terms used in this Certificate have the same meaning as defined in Governmental Unit Ordinance No. 59 adopted on September 8, 2025 (the “Ordinance”) unless otherwise defined in this Certificate or the context requires otherwise.

1. The Governmental Unit is a political subdivision of the State and is duly organized and validly existing under and pursuant to the laws of the State, its full name being “Quay County.”

2. The Governmental Unit was established in the year 1903, Section 4-20-1, NMSA 1978, as amended.

3. From at least March 10, 2025 (except as otherwise noted), to and including the date of this Certificate, the following were and now are the duly chosen, qualified and acting officers of the Governmental Unit:

Chairwoman:	Jerri Rush
Commissioners:	Brian Fortner Dallas Dowell
Finance Director:	Samantha Salas
County Manager:	Daniel Zamora
County Clerk:	Veronica Manley
Attorney:	Warren F. Frost, Esq.

4. The population of the Governmental Unit is not less than seventy-five percent (75%) English speaking and is less than twenty-five percent (25%) Spanish speaking.

5. There is no reason within our knowledge, after due inquiry with respect thereto, why the Governmental Unit may not enter into the Loan Agreement and the Intercept Agreement

with the New Mexico Finance Authority (the "Finance Authority"), as authorized by the Ordinance.

6. The Governmental Unit has duly authorized the execution, delivery and performance of its obligations under the Loan Agreement and the Intercept Agreement. The Loan Agreement and the Intercept Agreement have been duly authorized, executed and delivered by the Governmental Unit.

7. The Ordinance has been duly signed and adopted in accordance with all applicable laws and has not been repealed, rescinded, revoked, modified, amended or supplemented in any manner except as set forth in the Ordinance. The Ordinance constitutes valid and sufficient legal authority for the Governmental Unit to carry out and enforce the provisions of the Loan Agreement and Intercept Agreement. No referendum petition has been filed with respect to the Ordinance under the provisions of the laws, bylaws or regulations of the Governmental Unit or the State.

8. No event will result from the execution and delivery of the Loan Agreement or the Intercept Agreement that constitutes a default or an event of default under either the Loan Agreement, the Intercept Agreement or the Ordinance, and no event of default and no default under the Loan Agreement, the Intercept Agreement or the Ordinance has occurred and is continuing on the date of this Certificate.

9. The Governmental Unit has duly authorized and approved the consummation by it of all transactions and has complied with all requirements and satisfied all conditions, which are required by the Loan Agreement and the Intercept Agreement to have been authorized, approved, performed or consummated by the Governmental Unit at or prior to the date of this Certificate. The Governmental Unit has full legal right, power and authority to carry out and consummate the transactions contemplated by the Ordinance, the Loan Agreement and the Intercept Agreement.

10. A. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the enforceability of the Loan Agreement or the Intercept Agreement or to any of the actions required to be taken by the Ordinance, the Loan Agreement or the Intercept Agreement on or prior to the date of this Certificate have been obtained and are in full force and effect; and

B. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the financing of the Project have been obtained and are in full force and effect.

11. None of the following does or will conflict with, or constitute a breach by the Governmental Unit of, or default by the Governmental Unit under any law, court decree or order, governmental regulation, rule or order, resolution, agreement, indenture, mortgage or other instrument to which the Governmental Unit is subject or by which it is bound:

A. The Governmental Unit's adoption of the Ordinance; or

B. Any action contemplated by or pursuant to the Ordinance, the Loan Agreement, or the Intercept Agreement.

12. No material adverse change has occurred, nor has any development occurred involving a prospective material and adverse change in, or affecting the affairs, business, financial condition, results of operations, prospects, or properties of the Governmental Unit or the Pledged Revenues since the date of the Ordinance.

13. To the best of our knowledge and belief, after due inquiry with respect thereto, none of the events of default referred to in Article X of the Loan Agreement has occurred.

14. Subsequent to the adoption of the Ordinance, the Governmental Unit has not pledged or otherwise encumbered the Pledged Revenues. On the date of this Certificate there are no other outstanding obligations with a lien or encumbrance against the Pledged Revenues senior to or on a parity with the lien of the Loan Agreement.

15. The Loan Agreement prohibits the Governmental Unit from issuing any bonds or other obligations with a lien on Pledged Revenues senior to the lien thereon of the Loan Agreement on the Pledged Revenues. The Loan Agreement permits the Governmental Unit to issue additional bonds or other obligations with a lien on the Pledged Revenues on a parity with or subordinate to the lien of the Loan Agreement on the Pledged Revenues upon satisfaction of the conditions set forth in the Loan Agreement.

16. There is no threatened action, suit, proceeding, inquiry or investigation against the Governmental Unit, at law or in equity, by or before any court, public board or body, nor to the Governmental Unit's knowledge is there any basis therefor, affecting the existence of the Governmental Unit or the titles of its officials to their respective offices, or seeking to prohibit, restrain or enjoin the pledge of revenues or assets of the Governmental Unit pledged or to be pledged to pay the principal, premium, if any, and interest on the Loan Agreement, or in any way materially adversely affecting or questioning: (a) the territorial jurisdiction of the Governmental Unit; (b) the use of the proceeds of the Loan Agreement for the Project and to pay certain costs of the Finance Authority associated with the administration of its public projects revolving fund loan program; (c) the validity or enforceability of the Loan Agreement, the Intercept Agreement or any proceedings of the Governmental Unit taken with respect to the Loan Agreement, the Intercept Agreement or the Ordinance; (d) the execution and delivery of the Loan Agreement or the Intercept Agreement; or (e) the power of the Governmental Unit to carry out the transactions contemplated by the Loan Agreement, the Intercept Agreement or the Ordinance.

17. The Governmental Unit has complied with all the covenants and satisfied all the conditions on its part to be performed or satisfied at or prior to the date hereof, and the representations and warranties of the Governmental Unit contained in the Loan Agreement and in the Ordinance are true and correct as of the date hereof.

18. The Governmental Unit is not in default, and has not been in default within the ten (10) years immediately preceding the date of this Certificate, in the payment of principal of, premium, if any, or interest on any bonds, notes or other obligations which it has issued, assumed or guaranteed as to payment of principal, premium, if any, or interest except that no representation is made with respect to industrial revenue bonds or conduit bonds payable solely from installment sale or lease payments, loan repayments or other amounts received by the Governmental Unit from private entities.

19. To the best of our knowledge and belief, neither the Chairwoman, County Clerk, any member of the Governing Body, nor any other officer, employee or other agent of the Governmental Unit is interested (except in the performance of his or her official rights, privileges, powers and duties), directly or indirectly, in the profits of any contract, or job for work, or services to be performed and appertaining to the Project.

20. Regular meetings of the Governing Body have been held in the Quay County Courthouse, 300 South Third Street, Tucumcari, New Mexico 88401, the principal meeting place of the Governing Body.

21. The Governing Body has no rules of procedure which would invalidate or make ineffective the Ordinance or other action taken by the Governing Body in connection with the Loan Agreement. Open Meetings Act Resolution No. 32, as adopted and approved by the Governing Body on December 9, 2024, establishes notice standards as required by Sections 10-15-1 through 10-15-4, NMSA 1978. Open Meetings Act Resolution No. 32 has not been amended or repealed. All action of the Governing Body with respect to the Loan Agreement, the Intercept Agreement and the Ordinance was taken at meetings held in compliance with Open Meetings Act Resolution No. 32.

22. The *Eastern New Mexico News* is a legal newspaper which maintains an office and is of general circulation in the Governmental Unit.

23. The Pledged Revenues from the Fiscal Year immediately preceding the Closing Date were equal to or exceeded, and, on an ongoing basis during each year of the Loan Agreement Term, are reasonably expected to equal or exceed the coverage requirement of one hundred twenty-five percent (125%) of the maximum Aggregate Annual Debt Service Requirement.

24. The Pledged Revenues may lawfully be pledged to secure the payment of amounts due under the Loan Agreement.

25. The Chairwoman and County Clerk, on the date of the signing of the Loan Agreement and the Intercept Agreement and on the date of this Certificate, are the duly chosen, qualified and acting officers of the Governmental Unit authorized to execute such agreements.

26. The Governmental Unit understands that Sutin, Thayer & Browne A Professional Corporation represents the Finance Authority in this Loan and the Governmental Unit has had the opportunity to consult other counsel in connection with the Loan.

27. This Certificate is for the benefit of the Finance Authority.

28. This Certificate may be executed in counterparts.

[Signature page follows]

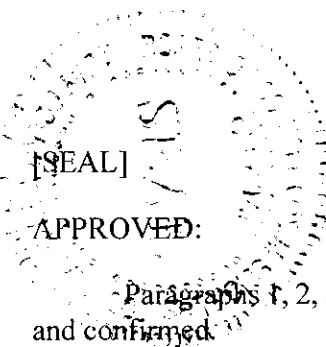
WITNESS our hands and the seal of the Governmental Unit this 24th day of October, 2025.

QUAY COUNTY, NEW MEXICO

By Jerri Rush
Jerri Rush, Chairwoman

By Veronica Manley
Veronica Manley, County Clerk

By Samantha Salas
Samantha Salas, Finance Director



Paragraphs 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 13, 14, 16, 17, 18, 20, 21, 22, 24 and 25 are approved and confirmed.

Warren F. Frost, Esq., Attorney for
Quay County, New Mexico

STATE OF NEW MEXICO)
) ss. ARBITRAGE AND TAX
COUNTY OF QUAY) CERTIFICATE

5. Expenditure Expectations. The Governmental Unit expects to incur a substantial binding obligation within six (6) months of the date hereof with regard to the Project, which obligation involves the expenditure of no less than five percent (5%) of the Proceeds. The Governmental Unit reasonably expects that the \$1,166,520 of Proceeds deposited into the Governmental Unit's Program Account in the Program Fund together with other legally available funds and anticipated earnings from the investment of such Proceeds until they are spent, are expected to be expended within three (3) years of the date hereof.

The estimated total costs of the Project will not be less than \$1,166,520 plus investment earnings thereon during the acquisition period.

Proceeds in the amount of \$0.60 will be deposited into the Finance Authority Debt Service Account to be maintained by the Finance Authority or its assignee and utilized as provided in Section 5.2 of the Loan Agreement.

6. Investment of Proceeds. Except for the investment of the Proceeds (i) in the Program Account established under the Indenture with respect to the Loan Agreement pending the payment of the costs of the Project, (ii) in the Loan Agreement Reserve Account established under the Indenture with respect to the Loan Agreement to be applied to prevent deficiencies in the payment of principal and interest on the Loan Agreement, and (iii) in the Finance Authority Debt Service Account established and administered by the Finance Authority pending the payment of debt service on the Loan Agreement, there will be no investment of the Proceeds.

7. Bona Fide Debt Service Fund. Debt service payments on the Loan Agreement will be paid from the Pledged Revenues of the Governmental Unit deposited to the Finance Authority Debt Service Account created with respect to the Loan Agreement. Because the Pledged Revenues of the Governmental Unit for any year will exceed debt service on the Loan Agreement, it is assumed that current debt service paid by the Governmental Unit for deposit in the Finance Authority Debt Service Account will be derived entirely from the current Pledged Revenues. The Finance Authority Debt Service Account will be depleted at least once a year except for an amount not to exceed the greater of the earnings on the Finance Authority Debt Service Account for the immediately preceding bond year or one-twelfth (1/12th) of debt service on the Loan for the immediately preceding bond year. The Governmental Unit has not created or established, nor does it expect to create or establish, any debt service fund, redemption fund, replacement fund, sinking fund or other similar fund which is reasonably expected to be used to pay principal or interest on the Loan Agreement or pledged therefor, except for the Finance Authority Debt Service Account and the Loan Agreement Reserve Account.

8. Reserve Account. Proceeds in the amount of \$129,613.40 will be deposited in the Governmental Unit's Loan Agreement Reserve Account in the Agreement Reserve Fund held by the Trustee under the Indenture, which amount does not exceed the least of (i) one hundred twenty-five percent (125%) of the average annual principal and interest requirements under the Loan Agreement; (ii) the maximum annual principal and interest requirements under the Loan Agreement, or (iii) ten percent (10%) of the Loan Agreement Principal Amount. Amounts held in the Governmental Unit's Loan Agreement Reserve Account may be applied to prevent deficiencies in the payment of principal and interest on the Loan Agreement resulting from a failure by the

Governmental Unit to deposit into the Finance Authority Debt Service Account sufficient funds to pay debt service on the Loan Agreement.

9. No Disposition of Project. The undersigned reasonably expect that no part of the Project acquired with the Proceeds will be sold or otherwise disposed of, in whole or in part, during the term of the Loan Agreement.

10. General Tax Covenant. The Governmental Unit has covenanted in the Loan Agreement that no use will be made of the Proceeds, or any funds or accounts of the Governmental Unit which may be deemed to be Gross Proceeds (as defined in Treasury Regulation Section 1.148(b)) of the Loan Agreement, which use, if it had been reasonably expected on the date hereof, would have caused the Loan Agreement to be classified as an "arbitrage bond" within the meaning of Section 148 of the Code. The Governmental Unit has further obligated itself in the Loan Agreement to comply throughout the term of the Loan Agreement with the requirements of Sections 103 and 141 through 150 of the Code and regulations proposed or promulgated with respect thereto.

11. Private Business Use Limitations. None of the Proceeds will be used by a private business or any entity other than a governmental unit or secured by payments from or property of a private business or any entity other than a governmental unit except pursuant to a management contract which conforms with Revenue Procedure 2017-13 of the United States Treasury. For purposes of the preceding sentence a governmental unit does not include the United States Government or any agency or instrumentality thereof.

12. No Common Plan of Financing. There are no other obligations which are being issued or sold at substantially the same time as the Loan Agreement pursuant to a common plan of financing with the Loan Agreement and that will be paid out of the Pledged Revenues or will have substantially the same claim to be paid out of the Pledged Revenues as the Loan Agreement.

13. No Federal Guarantees. The Loan is not federally guaranteed within the meaning of Section 149(b) of the Code.

14. Information Filing. Loan Counsel for the Finance Authority, on behalf of the Governmental Unit, will timely file the Form 8038-G with respect to the Loan Agreement attached hereto as Exhibit "A" with the Internal Revenue Service. The Finance Authority has verified certain information necessary to complete the Form 8038-G as shown on the Finance Authority Certificate attached hereto as Exhibit "B".

15. Hedge Bonds. The Loan is not a hedge bond as defined in Section 149 of the Code.

16. No Reimbursement. None of the Proceeds will be used to reimburse the Governmental Unit for costs paid for the Project more than sixty (60) days prior to the date hereof.

17. No Refunding. Proceeds of the Loan are not being used to refund any other obligation of the Governmental Unit.

18. Economic Life of Project. The weighted average maturity of 5.1842 years of the Loan Agreement does not exceed 120% of the reasonably expected economic life of the Project, which is at least twenty (20) years.

19. Qualified Tax-Exempt Obligations. The Loan Agreement is a “qualified tax-exempt obligation” for purposes of Section 265(b)(3) of the Code. The Governmental Unit represents that the reasonably anticipated amount of qualified tax-exempt obligations which will be issued by the Governmental Unit during the current calendar year does not exceed \$10,000,000 and the Governmental Unit will not designate more than \$10,000,000 of “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code. For purposes of this Section, “aggregated issuer” means any entity which: (i) issues obligations on behalf of the Governmental Unit; (ii) derives its issuing authority from the Governmental Unit; or (iii) is controlled directly or indirectly by the Governmental Unit within the meaning of Treasury Regulation Section 1.150-1(e).

20. Rebate Exception. The Governmental Unit is a governmental unit with general taxing powers, no part of the Loan Agreement is a private activity bond, ninety-five percent (95%) or more of the proceeds are to be used for local governmental activities of the Governmental Unit and, the aggregate face amount of all tax-exempt obligations issued by the Governmental Unit during the current calendar year is not reasonably expected to exceed \$5,000,000. There are no subordinate entities of the Governmental Unit which are authorized to issue tax-exempt obligations. If the Governmental Unit fails to satisfy all of the provisions of this paragraph [20] for any reason, as provided in the Loan Agreement and consistent with the covenants of the Governmental Unit contained therein, any rebate owed to the United States Treasury will be paid in the amounts and at the times provided in Section 148 of the Code.

21. Record Retention. The Governmental Unit will manage and retain records related to the Loan as follows:

A. Records will be retained for the life of the Loan, including any refunding loans related thereto, plus three (3) years. Records may be in the form of documents or electronic copies of documents, appropriately indexed to the Loan and compliance functions;

B. Basic records relating to the Loan transaction, including transcript documents executed in connection with the issuance of the Loan (i.e., the authorizing documents, Form 8038-G, the tax certificate, and any elections made with respect to the Loan, if applicable), any amendments, and copies of rebate calculations and records of payments, including Forms 8038-T;

C. Records pertaining to the use of Loan-financed facilities by public and private sources including copies of management agreements and research agreements;

D. Records pertaining to expenditures of Loan proceeds including requisitions, appraisal and property purchase contracts, account statements, invoices, payment vouchers, and the final allocation of proceeds to expenditures;

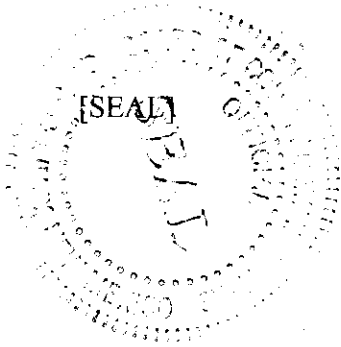
E. Records pertaining to all sources of payment or security for the Loan; and

F. Records pertaining to investments including guaranteed investment contract documents under the Treasury Regulations, records of purchase and sale of other investments, and records of investment activity sufficient to permit calculation of arbitrage rebate or demonstration that no rebate is due.

[Signature page follows]

This certificate is being executed and delivered to establish the reasonable expectations of the Governmental Unit for purposes of Sections 103 and 141 through 148 of the Code, and the undersigned officers of the Governmental Unit are the officers of the Governmental Unit charged with the responsibility of entering into the Loan Agreement. The foregoing is based upon the reasonable expectations of the undersigned on the date hereof, and to the best of our knowledge, information and belief, the above expectations are reasonable.

Dated: October 24, 2025



QUAY COUNTY, NEW MEXICO

By Jerri Rush
Jerri Rush, Chairwoman

By Veronica Manley
Veronica Manley, County Clerk

By Samantha Salas
Samantha Salas, Finance Director

7419967

Form **8038-G**

(Rev. October 2021)

Department of the Treasury
Internal Revenue Service**Information Return for Tax-Exempt Governmental Bonds**

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

► Go to www.irs.gov/F8038G for instructions and the latest information.

OMB No. 1545-0047

Part I Reporting AuthorityCheck box if Amended Return ► ☐

1 Issuer's name Quay County, New Mexico		2 Issuer's employer identification number (EIN) 85-6000238
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address) PO Box 1246	Room/suite	5 Report number (For IRS Use Only) 3
6 City, town, or post office, state, and ZIP code Tucumcari, New Mexico 88401		7 Date of issue 10/24/2025
8 Name of issue New Mexico Finance Authority, 2025 TQRECC Loan, PPRF-6692		9 CUSIP number N/A
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information Samantha Salas, Finance Director		10b Telephone number of officer or other employee shown on 10a (575) 461-2112

Part II Type of Issue (Enter the issue price.) See the instructions and attach schedule.

11 Education	11
12 Health and hospital	12
13 Transportation	13
14 Public safety	14 1,296,134
15 Environment (including sewage bonds)	15
16 Housing	16
17 Utilities	17
18 Other. Describe ►	18
19a If bonds are TANs or RANs, check only box 19a ► ☐	
b If bonds are BANs, check only box 19b ► ☐	
20 If bonds are in the form of a lease or installment sale, check box ► ☐	

Part III Description of Bonds. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	05/01/2035	\$ 1,296,134	\$ 1,296,134	5.1842 years	2.4051 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22 Proceeds used for accrued interest	22
23 Issue price of entire issue (enter amount from line 21, column (b))	23 1,296,134
24 Proceeds used for bond issuance costs (including underwriters' discount)	24
25 Proceeds used for credit enhancement	25
26 Proceeds allocated to reasonably required reserve or replacement fund	26 129,613
27 Proceeds used to refund prior tax-exempt bonds. Complete Part V	27
28 Proceeds used to refund prior taxable bonds. Complete Part V	28
29 Total (add lines 24 through 28)	29 129,613
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30 1,166,521

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31 Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	►	years
32 Enter the remaining weighted average maturity of the taxable bonds to be refunded	►	years
33 Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	►	
34 Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)		

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63773S

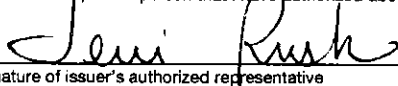
Form **8038-G** (Rev. 10-2021)

Part VI Miscellaneous

- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) **35**
- 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions **36a**
- b** Enter the final maturity date of the GIC ► (MM/DD/YYYY) _____
- c** Enter the name of the GIC provider ► _____
- 37** Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units **37**
- 38a** If this issue is a loan made from the proceeds of another tax-exempt issue, check box ► ☐ and enter the following information:
- b** Enter the date of the master pool bond ► (MM/DD/YYYY) _____
- c** Enter the EIN of the issuer of the master pool bond ► _____
- d** Enter the name of the issuer of the master pool bond ► _____
- 39** If the issuer has designated the issue under section 265(b)(3)(B)(i)(iii) (small issuer exception), check box ► ☒
- 40** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ► ☐
- 41a** If the issuer has identified a hedge, check here ► ☐ and enter the following information:
- b** Name of hedge provider ► _____
- c** Type of hedge ► _____
- d** Term of hedge ► _____
- 42** If the issuer has superintegrated the hedge, check box ► ☐
- 43** If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ► ☐
- 44** If the issuer has established written procedures to monitor the requirements of section 148, check box ► ☐
- 45a** If some portion of the proceeds was used to reimburse expenditures, check here ► ☐ and enter the amount of reimbursement ► _____
- b** Enter the date the official intent was adopted ► (MM/DD/YYYY) _____

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

Signature of issuer's authorized representative 

Date 10/24/2025

Jerri Rush, Chairwoman
Type or print name and title**Paid Preparer Use Only**

Print/Type preparer's name

Isaac A. Leon

Preparer's signature

Date

10/24/2025

Check ☐ if self-employed

PTIN

P03281271

Firm's name ► Sutin, Thayer & Browne A Professional Corporation

Firm's EIN ► 85-0225124

Firm's address ► 6100 Uptown Blvd, NE, Suite 400, Albuquerque, NM 87110

Phone no. 505-883-2500

STATE OF NEW MEXICO)
) ss. DELIVERY, DEPOSIT AND
COUNTY OF QUAY) CROSS-RECEIPT CERTIFICATE

2. The proceeds of the Loan Agreement will be placed in the funds and accounts created for the deposit of such moneys under the General Indenture of Trust and Pledge dated as of June 1, 1995, as amended and supplemented, or the Subordinated General Indenture of Trust and Pledge dated as of March 1, 2005, as supplemented, each by and between the Finance Authority and BOKF, NA, as Trustee and its successors and assigns, as determined by the Finance Authority pursuant to a Pledge Notification or Supplemental Indenture, as follows:

Governmental Unit's Account in the Program Fund:	<u>\$1,166,520.00</u>
Deposit to Loan Agreement Reserve Account:	\$129,613.40
Deposit to Finance Authority Debt Service Account:	\$0.60
Total:	<u>\$1,296,134.00</u>

WITNESS our hands this 24th day of October, 2025.

QUAY COUNTY, NEW MEXICO

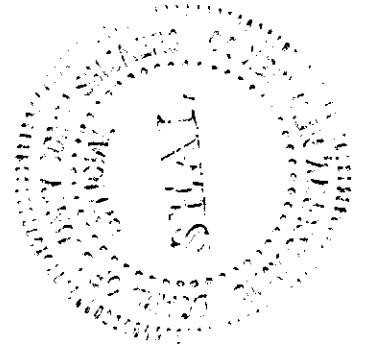
[SEAL]

By Jerri Rush
Jerri Rush, Chairwoman

By Veronica Manley
Veronica Manley, County Clerk

By Samantha Salas
Samantha Salas, Finance Director

7419970



It is hereby certified by the undersigned, a duly qualified and acting official of the New Mexico Finance Authority, that, the undersigned has, on the date of this Certificate, received from the Quay County the Loan Agreement and the Intercept Agreement.

NEW MEXICO FINANCE AUTHORITY

By: _____
Marquita D. Russel, Chief Executive Officer

7419970

STATE OF NEW MEXICO)
) ss.
COUNTY OF QUAY)

The Board of County Commissioners (the "Governing Body") of Quay County (the "County"), in the State of New Mexico, met in open regular session in full conformity with law and the ordinances, rules and regulations of the County, in the Commission Chambers, First Floor of the Quay County Courthouse, located at 300 South Third Street, Tucumcari, New Mexico, in the County, being the regular meeting place of the Governing Body, at 9:00 a.m. on Monday, September 8, 2025, at which time there were present and answering the roll call the following members:

Chairwoman:

Jerri Rush

Commissioners:

Dallas Dowell
Brian Fortner

Absent:

None

Thereupon the following proceedings, among others, were had and taken, to wit:

There was officially filed with the County Clerk, the Chairwoman and each member of the Governing Body, a copy of a proposed ordinance in final form, which is as follows:

2025 TAX RATES

SCHOOL DISTRICT		2024	2025	DIFFERENCE	2024	2025	DIFFERENCE
		RESIDENTIAL			NON-RESIDENTIAL		
NAME	NUMBER						
TUCUMCARI - IN	1.1	0.025463	0.025297	-0.000166	0.029767	0.029794	0.000027
TUCUMCARI - OUT	1.0	0.021571	0.021411	-0.000160	0.022117	0.022144	0.000027
HOUSE - IN	19.1	0.0227913	0.028120	0.000207	0.028440	0.028622	0.000182
HOUSE - OUT	19.0	0.020680	0.020632	-0.000148	0.020966	0.020972	0.000006
LOGAN - IN	32.1	0.029010	0.028452	-0.000558	0.029365	0.029392	0.000027
LOGAN - OUT	32.0	0.021360	0.021114	-0.000246	0.021715	0.021742	0.000027
SAN JON - IN	34.1	0.027739	0.027626	-0.000113	0.029952	0.029856	-0.000096
SAN JON - OUT	34.0	0.022360	0.022151	-0.000209	0.022690	0.022580	-0.000110
GRADY	23/47	0.022222	0.021678	-0.000544	0.022618	0.022202	-0.000416
NARA VISA	33	0.021360	0.021114	-0.000246	0.021715	0.021742	0.000027
MELROSE	53	0.018476	0.018324	-0.000152	0.018851	0.018878	0.000027
MESALANDS COMMUNITY COLLEGE		0.001910	0.001906	0.000004	0.003000	0.003000	0.000000
ARCH HURLEY		0.004974	0.005123	0.000149			
UTE LAKE RANCH - PID OPERATING		0.003000	0.003000	0.000000			
UTE LAKE RANCH - PID DEBT		0.010800	0.010800	0.000000			
CATTLE		0.009604	0.008888	-0.000716			
DAIRY CATTLE		0.004754	0.003559	-0.001195			
EQUINE		0.009371	0.009669	0.000498			
SHEEP/GOATS/ALPACA/SWINE		0.009088	0.009279	0.000191			
BISON/RATITE/CAMELIDS		0.007945	0.008118	0.000173			

Farm/ranch	Melrose S.D.	2025	\$116.92
		2024	\$116.24
	Tucumcari S.D.	2025	\$336.48
		2024	\$329.52
		2025	\$2,156.44
		2024	\$2,112.84
Logan	\$450,000 Out Property	2025	\$4,483.12
		2024	\$4,571.04
Tucumcari	\$650,000 Out Property	2025	\$5,750.20
		2024	\$5,622.52
Tucumcari	65,000 IN	2025	\$802.52
		2024	\$803.68

Certificate of Property Tax Rates in Mills
Quay County
Tax Year 2025

OVERALL COUNTY NET TAXABLE VALUE: \$282,371,459

Property Classification	Residential	Non-Residential	Residential	Non-Residential	Residential	Non-Residential
Tax District	1 IN R	1 IN NR	1 OUT R	1 OUT NR	19 IN R	19 IN NR
Municipality	Tucumcari (City)	Tucumcari (City)			House (Village)	House (Village)
Public School District	Tucumcari	Tucumcari	Tucumcari	Tucumcari	House	House
College District	Mesalands Community College	Mesalands Community College	Mesalands Community College	Mesalands Community College		
Taxable Value	37,666,010	51,231,939	20,987,348	45,820,800	462,937	666,089
Mill Levies for State, County, Municipality, and School District						
State Debt Service	1.360	1.360	1.360	1.360	1.360	1.360
Total State	1.360	1.360	1.360	1.360	1.360	1.360
County Operational	9.143	9.681	9.143	9.681	9.143	9.681
County Hospital (Operational Levy Subset)	1.500	1.500	1.500	1.500	1.500	1.500
Total County	10.643	11.181	10.643	11.181	10.643	11.181
Municipal Operational	3.886	7.650	-	-	7.588	7.650
Total Municipal	3.886	7.650	0.000	0.000	7.588	7.650
School District Operational	0.309	0.500	0.309	0.500	0.500	0.437
School District Debt Service	7.103	7.103	7.103	7.103	6.029	6.029
School Capital Improvement (Senate Bill 9 Levy)	1.996	2.000	1.996	2.000	2.000	1.965
School District Ed. Tech. Debt Service	-	-	-	-	-	-
Total School District	9.408	9.603	9.408	9.603	8.529	8.431
Total State, County, Municipal and School District	25.297	29.794	21.411	22.144	28.120	28.622

Tax District	1 IN R	1 IN NR	1 OUT R	1 OUT NR	19 IN R	19 IN NR
Mill Levies for College and Hospital						
College District Operational	1.906	3.000	1.906	3.000	-	-
Total Higher Education	1.906	3.000	1.906	3.000	0.000	0.000
Total Hospital	0.000	0.000	0.000	0.000	0.000	0.000
Total College and Hospital	1.906	3.000	1.906	3.000	0.000	0.000
Grand Total State, County, Municipal, Public School, College, Hospital	27.203	32.794	23.317	25.144	28.120	28.622
Mill Levies for Other Taxing Entities						
Total Other	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total	27.203	32.794	23.317	25.144	28.120	28.622

Property Classification	Residential	Non-Residential	Residential	Non-Residential	Residential	Non-Residential
Tax District	19 OUT R	19 OUT NR	23/47 R	23/47 NR	32 IN R	32 IN NR
Municipality					Logan (Village)	Logan (Village)
Public School District	House	House	Grady	Grady	Logan	Logan
College District						
Taxable Value	1,909,867	6,828,401	367,469	974,680	31,407,810	12,367,841
Mills Levies for State, County, Municipality, and School District						
State Debt Service	1.360	1.360	1.360	1.360	1.360	1.360
Total State	1.360	1.360	1.360	1.360	1.360	1.360
County Operational	9.143	9.681	9.143	9.681	9.143	9.681
County Hospital (Operational Levy Subset)	1.500	1.500	1.500	1.500	1.500	1.500
Total County	10.643	11.181	10.643	11.181	10.643	11.181
Municipal Operational	-	-	-	-	7.338	7.650
Total Municipal	0.000	0.000	0.000	0.000	7.338	7.650
School District Operational	0.500	0.437	0.493	0.488	0.482	0.500
School District Debt Service	6.029	6.029	7.223	7.223	3.800	3.800
School Capital Improvement (Senate Bill 9 Levy)	2.000	1.965	1.969	1.950	1.928	2.000
School District Ed. Tech. Debt Service	-	-	-	-	2.901	2.901
Total School District	8.529	8.431	9.675	9.661	9.111	9.201
Total State, County, Municipal and School District	20.532	20.972	21.678	22.202	28.452	29.392

Tax District	19 OUT R	19 OUT NR	23/47 R	23/47 NR	32 IN R	32 IN NR
Mill Levies for College and Hospital						
College District Operational	-	-	-	-	-	-
Total Higher Education	0.000	0.000	0.000	0.000	0.000	0.000
Total Hospital	0.000	0.000	0.000	0.000	0.000	0.000
Total College and Hospital	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total State, County, Municipal, Public School, College, Hospital	20.532	20.972	21.678	22.202	28.452	29.392
Mill Levies for Other Taxing Entities						
Total Other	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total	20.532	20.972	21.678	22.202	28.452	29.392

Property Classification	Residential	Non-Residential	Residential	Non-Residential	Oil & Gas Production	Oil & Gas Equipment
Tax District	32 OUT R	32 OUT NR	33 R	33 NR	33 OGP	33 OGE
Municipality						
Public School District	Logan	Logan	Logan	Logan	Logan	Logan
College District:						
Taxable Value	4,134,174	25,989,574	1,214,498	13,694,832	690,074	162,229
Mill Levies for State, County, Municipality, and School District						
State Debt Service	1.360	1.360	1.360	1.360	1.360	1.360
Total State	1.360	1.360	1.360	1.360	1.360	1.360
County Operational	9.143	9.681	9.143	9.681	10.350	10.350
County Hospital (Operational Levy Subset)	1.500	1.500	1.500	1.500	1.500	1.500
Total County	10.643	11.181	10.643	11.181	11.850	11.850
Municipal Operational	-	-	-	-	-	-
Total Municipal	0.000	0.000	0.000	0.000	0.000	0.000
School District Operational	0.482	0.500	0.482	0.500	0.500	0.500
School District Debt Service	3.800	3.800	3.800	3.800	3.800	3.800
School Capital Improvement (Senate Bill 9 Levy)	1.928	2.000	1.928	2.000	2.000	2.000
School District Ed. Tech. Debt Service	2.901	2.901	2.901	2.901	2.901	2.901
Total School District	9.111	9.201	9.111	9.201	9.201	9.201
Total State, County, Municipal and School District	21.114	21.742	21.114	21.742	22.411	22.411

Tax District	32 OUT R	32 OUT NR	33 R	33 NR	33 OGP	33 OGE
Mill Levies for College and Hospital						
College District Operational	-	-	-	-	-	-
Total Higher Education	0.000	0.000	0.000	0.000	0.000	0.000
Total Hospital	0.000	0.000	0.000	0.000	0.000	0.000
Total College and Hospital	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total State, County, Municipal, Public School, College, Hospital	21.114	21.742	21.114	21.742	22.411	22.411
Mill Levies for Other Taxing Entities						
Total Other	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total	21.114	21.742	21.114	21.742	22.411	22.411

Property Classification	Residential	Non-Residential	Residential	Non-Residential	Residential	Non-Residential
Tax District	34 IN R	34 IN NR	34 OUT R	34 OUT NR	53 R	53 NR
Municipality	San Jon (Village)	San Jon (Village)				
Public School District	San Jon	San Jon	San Jon	San Jon	Melrose	Melrose
College District						
Taxable Value	1,036,254	2,336,597	2,818,755	14,275,988	812,653	4,494,640
Mill Levies for State, County, Municipality, and School District						
State Debt Service	1.360	1.360	1.360	1.360	1.360	1.360
Total State	1.360	1.360	1.360	1.360	1.360	1.360
County Operational	9.143	9.681	9.143	9.681	9.143	9.681
County Hospital (Operational Levy Subset)	1.500	1.500	1.500	1.500	1.500	1.500
Total County	10.643	11.181	10.643	11.181	10.643	11.181
Municipal Operational	5.475	7.276	-	-	-	-
Total Municipal	5.475	7.276	0.000	0.000	0.000	0.000
School District Operational	0.487	0.474	0.487	0.474	0.484	0.500
School District Debt Service	7.670	7.670	7.670	7.670	3.837	3.837
School Capital Improvement (Senate Bill 9 Levy)	1.991	1.895	1.991	1.895	2.000	2.000
School District Ed. Tech. Debt Service	-	-	-	-	-	-
Total School District	10.148	10.039	10.148	10.039	6.321	6.337
Total State, County, Municipal and School District	27.626	29.856	22.151	22.580	18.324	18.878

Tax District	34 IN R	34 IN NR	34 OUT R	34 OUT NR	53 R	53 NR
Mill Levies for College and Hospital						
College District Operational	-	-	-	-	-	-
Total Higher Education	0.000	0.000	0.000	0.000	0.000	0.000
Total Hospital	0.000	0.000	0.000	0.000	0.000	0.000
Total College and Hospital	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total State, County, Municipal, Public-School, College, Hospital	27.626	29.856	22.151	22.580	18.324	18.878
Mill Levies for Other Taxing Entities						
Total Other	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total	27.626	29.856	22.151	22.580	18.324	18.878

Livestock Mill Levies

Category	Rate	Applicable Tax Districts
Cattle Indemnity	8.888	1 OUT, 19 OUT, 23/47, 32 IN, 32 OUT, 33, 34 OUT, 53
Sheep/Goats/Swine/Alpaca	9.279	1 OUT, 19 OUT, 23/47, 32 IN, 32 OUT, 33, 34 IN, 34 OUT, 53
Dairy Cattle	3.559	32 OUT
Bison/Camelids/Rattle	8.118	1 OUT, 32 OUT
Horses/Asses/Mules	9.869	1 OUT, 19 OUT, 23/47, 32 IN, 32 OUT, 33, 34 IN, 34 OUT, 53

Other Assessments

Category	Taxing Entity	Description
Public Improvement Special Levy Rolls	Ute Lake Ranch PID Operational	3,000
Public Improvement Special Levy Rolls	Ute Lake Ranch PID Debt	10,800
Special Assessments or Mill Levies	Arch Hurley Conservancy District	\$18.00 Assessment/Acre Class "A" Property; \$5.123 Class B mills

Footnotes

	Tax District	Classification	Assessment	Footnote
(1)	23/47			Total School District to Grady Board of Education
(2)	33			Total School District to Logan Board of Education
(3)	53			Total School District to Melrose Board of Education

Amendments	Date	Description
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Quay County Government

300 South Third Street, Tucumcari, NM 88401

Post Office Box 1246

Phone: (575)461-2112 Fax: (575) 461-6208

PROFESSIONAL SERVICE AGREEMENT

BETWEEN

QUAY COUNTY AND H2O PARTNERS, INC.

TO UPDATE THE 2026 HAZARD MITIGATION PLAN

THIS AGREEMENT is made and entered into this 08 day of September 2025, between **Quay County, New Mexico** (the "County") and **H2O Partners, Inc.**, 1515 S. Capital of Texas Hwy, Suite 305, Austin, Texas 78746 (the "Contractor").

WHEREAS, Quay County is required to have a hazard mitigation plan; and

WHEREAS, pursuant to NMSA 1978, 13-1-112, the County issued Request for Proposal (RFP) RFP 2025-03 to solicit services for the update and rewrite of the County's 2026 Hazard Mitigation Plan for submittal to the State of New Mexico and FEMA; and

WHEREAS, the County determines the Contractor is the most qualified offeror; and

WHEREAS, the County requires the services of the Contractor and the Contractor is willing to provide these services and both parties wish to enter into this Agreement.

WHEREAS, CONSULTANT agrees to provide all technical and professional expertise, knowledge, management, and other resources required for developing the HMAP.

WHEREAS, if a non-Federal entity wants to use federal funds to pay or reimburse their expenses for services under a contract, CLIENT and CONSULTANT, will comply with all applicable clauses described in Appendix II to the Uniform Rules (Contract Provisions for Non-Federal Entity Contracts Under Federal Awards) and 2 CFR 200: 318 - 327; and contains the federally required contract provisions; and

NOW, THEREFORE, the provisions are as follows:

Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended)

Consultants who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in

turn will forward the certification(s) to the awarding agency. Required Certification. If applicable, Consultants must sign and submit to the non-federal entity the following certification.

APPENDIX A, 44 C.F.R. PART 18 – CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The consultant, H2O Partners, Inc., certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Consultant understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

Clean Air Act

1. The consultant agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
2. The consultant agrees to report each violation to Quay County, New Mexico and understands and agrees that Quay County, New Mexico will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency (FEMA), and the appropriate Environmental Protection Agency Regional Office.
3. The consultant agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with federal assistance provided by FEMA.

Federal Water Pollution Control Act

1. The consultant agrees to comply with all applicable standards, orders, or regulations issued pursuant to the federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq.
2. The consultant agrees to report each violation to Quay County, New Mexico and understands and agrees that Quay County, New Mexico will, in turn, report each violation as required to assure notification to Federal Emergency Management Agency (FEMA), and the appropriate Environmental Protection Agency Regional Office.
3. The consultant agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with federal assistance provided by FEMA.

Suspension and Debarment

This contract is a covered transaction for purposes of 2 C.F.R. Part 180 and 2 C.F.R. Part 3000. As such, the consultant is required to verify that none of the consultant's principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

H2O Partners must comply with 2 C.F.R. Part 180, subpart C and 2 C.F.R. Part 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

This certification is a material representation of fact relied upon by Quay County, New Mexico. If it is later determined that the consultant did not comply with 2 C.F.R. Part 180, subpart C and 2 C.F.R. Part 3000, subpart C, in addition to remedies available to Quay County, New Mexico, the federal government may pursue available remedies, including but not limited to suspension and/or debarment.

The bidder or proposer agrees to comply with the requirements of 2 C.F.R. Part 180, subpart C and 2 C.F.R. Part 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions."

Access to Records

The consultant agrees to provide the New Mexico Department of Homeland Security and Emergency Management (DHSEM) and/or, Federal Emergency Management Agency (FEMA) Administrator and/or the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the consultant which are directly pertinent to this agreement for the purposes of making audits, examinations, excerpts, and transcriptions.

The consultant agrees to maintain records for five years after the Grantee formally closes out the project and agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed. In compliance with the Disaster Recovery Act of 2018, Quay County and H2O Partners acknowledge and agree that no language in the is agreement is intended to prohibit audits or internal reviews by the FEMA Administrator, or the Comptroller General of the United States.

Solid Waste Disposal Act

A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

The consultant agrees to comply with all applicable standards, orders or regulations issued pursuant to section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.

Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment

Prohibition: Recipients, Subrecipients, and Contractors are prohibited from using loan or grant funds under this agreement to acquire, extend, or renew contracts for covered telecommunications equipment or services.

Covered Telecommunications Equipment or Services: As defined in section 889 of Public Law 115-232, "covered telecommunications equipment or services" includes: Telecommunications equipment from Huawei Technologies Company, ZTE Corporation, Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company, or their subsidiaries or affiliates.

Compliance: Acceptance of a loan or grant serves as certification of compliance with this prohibition. No further specific certification is required beyond the initial acceptance and those provided with payment requests and financial reports.

NOW, THEREFORE, the parties agree as follows:

1. CONTRACTOR'S SERVICES

- A. Organize a hazard mitigation planning team and process.
 - (i) Create a County-wide planning team consisting of members from jurisdictions and other stakeholders that have an interest in hazard mitigation planning. Contractor will manage contacts and facilitate meetings with the County and the planning team.
- B. Develop a risk and vulnerability assessment
 - (i) Complete an updated Hazard Mitigation Plan for the Santa Fe County Fire Department, perform a risk and vulnerability assessment, and develop a mitigation strategy for each jurisdiction. Research and develop a risk and vulnerability assessment.
- C. Conduct mitigation strategy development. Contractor will prioritize mitigation actions and determine a mitigation strategy.
- D. Draft an updated Hazard Mitigation Plan
 - (i) Coordinate and facilitate not less than two public meetings for public involvement and input. Submit the updated Hazard Mitigation Plan for state and federal review. Develop a maintenance plan for the Hazard Mitigation

Plan.

E. Finalize the updated Hazard Mitigation Plan

1. Facilitate the approval process at the state and federal level.
2. Revise the draft plan based on multiple reviews and submit to local, state and federal agencies for final approval and adoption.
3. Final approval: The final updated Hazard Mitigation Plan must be formally adopted by all participating jurisdictions by resolution. The County will submit the final Hazard Mitigation Plan and the jurisdictions' resolutions to the New Mexico State Mitigation Officer for approval.
- 4.

2. ADDITIONAL SERVICES

- A. The Contractor's Services must be completed to the satisfaction of the County the amount set forth in Section 3 (Compensation, Invoicing and Set-off), and for no other cost, amount, fee or expense.
- B. The County may amend or modify the Contractor's Services. Such changes, including any increase or decrease in the amount of the Contractor's compensation, must be incorporated in a written amendment.

3. COMPENSATION

- A. The County shall pay to the Contractor in full payment for services satisfactorily performed \$62,920.00 dollars, to be invoiced ~~in monthly payments based on the percentage~~ upon completion of the following milestones detailed within the bid proposal reproduced below from CONTRACTOR's proposal – Cost Response Form indicating Contractor is meeting all requirements in the respective phase:
 1. Developing Planning Process phase (\$9,620),
 2. Risk and Vulnerability Assessment phase (\$14,430),
 3. Mitigation Strategy Development phase (\$15,340),
 4. Draft Plan (\$18,590),
 5. Finalize and Maintain Plan phase (\$2,990),
 6. Upon Final Approval (\$1,950).
- B. The total amount payable to the Contractor under this Agreement, excluding gross receipts tax, shall not exceed \$62,920. In no event will the Contractor be paid any amount in excess of the specified total amount payable without this Agreement being amended in writing. Pricing presented here assumes that the Quay County Hazard Mitigation Plan Update will include the jurisdictions of the City of Tucumcari, Village of San Jon, Village of Houst, and the Village of Logan in addition to the County. Additional jurisdictions can be included in the Plan for \$4,500 each.
- C. NMGRT shall be billed as a separate line item and paid in addition to the not-to-exceed fee. Contractor shall include the applicable NMGRT percentage on each invoice submitted under this Contract. The Client shall reimburse Contractor for the actual amount of NMGRT incurred in connection with the services rendered under this Contract.

2. No Other Changes

Except as expressly amended herein, all terms and conditions of the original Contract shall remain in full force and effect.

A. The Contractor shall submit a written request for payment to the County when payment is due under this Agreement. Upon the County's receipt of the written request, the County will issue a written certification of complete or partial acceptance or rejection of the deliverables for which payment is sought.

- 1) The County's representative for certification of acceptance or rejection of contractual items and services is:
Jerri Rush
County Commission Chairperson
300 South 3rd ST Tucumcari Nm 88401
575-461-2112
jerri.rush@quaycounty-nm.gov
or such other individual as may be designated in the absence of the County representative.
- 2) The Contractor agrees that the County may not make any payment hereunder unless and until it has issued a written certification accepting the Contractor's services.
- 3) Within 30 days of the issuance of a written certification accepting the services or deliverables, the County will tender payment for the accepted items or services. In the event the County fails to tender payment within 30 days of the written certification accepting the items or services, the County will pay late payment charges of one and 1.5% per month, until the amount due is paid in full.

B. In the event the Contractor breaches this Agreement, the County may, without penalty, withhold any payments due the Contractor for the purpose of set-off until such time as the County determines the exact amount of damages it suffered as a result of the breach.

Payment under this Agreement will not foreclose the right of the County to recover excessive or illegal payment.

4. EFFECTIVE DATE AND TERM

This Agreement will, become effective as of the date of last signature by the parties and terminate one year from such date, unless earlier terminated pursuant to Section 5 (Termination) or Section 6 (Appropriations and Authorizations). The County has the option to extend the term of this Agreement not to exceed four years total.

5. TERMINATION

A. Termination of Agreement for Cause. Either party may terminate this Agreement based upon any material breach of this Agreement by the other party. The non-breaching party must give the breaching party written notice of termination specifying the grounds for the termination. The termination will be effective 30 days from the breaching party's receipt of the notice of termination, during which time the breaching party will have the right to cure the breach. If,

however, the breach cannot with due diligence be cured within 30 days, the breaching party will have a reasonable time to cure the breach, provided that, within 30 days of its receipt of the written notice of termination, the breaching party began to cure the breach and advised the non-breaching party in writing that it intended to cure.

- B. Termination for Convenience of the County. The County may, in its discretion, terminate this Agreement at any time for any reason by giving the Contractor written notice of termination. The notice must specify the effective date of termination, which must not be less than 15 days from the Contractor's receipt of the notice. The County will pay the Contractor for acceptable services performed before the effective date of termination but will not be liable for services performed after the effective date of termination.

6. APPROPRIATIONS AND AUTHORIZATIONS

This Agreement is contingent upon sufficient appropriations and authorizations being made for performance of this Agreement by the Board of County Commissioners of the County and/or, if state funds are involved, the Legislature of the State of New Mexico. If sufficient appropriations and authorizations are not made in this or future fiscal years, this Agreement will terminate upon written notice by the County to the Contractor. Such termination will be without penalty to the County, and the County will have no duty to reimburse the Contractor for expenditures made in the performance of this Agreement. The County is expressly not committed to expenditure of any funds until such time as they are programmed, budgeted, encumbered and approved for expenditure by the County. The County's decision as to whether sufficient appropriations and authorizations have been made for the fulfillment of this Agreement will be final and not subject to challenge by the Contractor in any way or forum, including a lawsuit.

7. INDEPENDENT CONTRACTOR

The Contractor and its agents and employees will be independent contractors and not employees or agents of the County. Accordingly, the Contractor and its agents and employees will not accrue leave, participate in retirement plans, insurance plans, or liability bonding, use County vehicles, or participate in any other benefits afforded to employees of the County. Except as may be expressly authorized elsewhere in this Agreement, the Contractor has no authority to bind, represent, or otherwise act on behalf of the County and agrees not to purport to do so.

8. ASSIGNMENT

The Contractor must not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without the advance written approval of the County. Any attempted assignment or transfer without the County's advance written approval will be void.

9. SUBCONTRACTING

The Contractor must not subcontract or delegate any portion of the services to be performed under this Agreement without the advance written approval of the County. Any attempted subcontracting

or delegating without the County's advance written approval will void.

10. PERSONNEL

- A. All Services must be performed by the Contractor or under its supervision.
- B. The Contractor represents that it has, or will secure at its own expense, all personnel required to discharge its obligations under this Agreement. Such personnel (i) must not be employees of or have any contractual relationships with the County and (ii) must be fully qualified and licensed or otherwise authorized or permitted under federal, state, and local law to perform such services.

11. RELEASE

Upon its receipt of all payments due under this Agreement, the Contractor releases the County, its elected officials, officers, agents and employees from all liabilities, claims, and obligations whatsoever arising from or under or relating to this Agreement.

12. CONFIDENTIALITY

Any confidential information provided to or developed by the Contractor in the performance of this Agreement must be kept confidential and not be made available to any individual or organization by the Contractor without the prior written approval of the County.

13. PUBLICATION, REPRODUCTION, AND USE OF MATERIAL; COPYRIGHT

- A. The County has the unrestricted right to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data, or other material prepared under or pursuant to this Agreement.
- B. The Contractor acknowledges and agrees that any material produced in whole or in part under or pursuant to this Agreement is a work made for hire. Accordingly, to the extent that any such material is copyrightable in the United States or in any other country, the County will own any such copyright.

14. CONFLICT OF INTEREST

The Contractor represents that it has no and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of its obligations under this Agreement.

15. NO ORAL MODIFICATIONS; WRITTEN AMENDMENTS REQUIRED

This Agreement may not be modified, altered, changed, or amended orally but, rather, only by an instrument in writing signed by the parties. The Contractor agrees that the County will not be responsible for any changes to Section 1 (Contractor's Service), of this Agreement unless such

changes are set forth in a written amendment signed by the parties.

16. ENTIRE AGREEMENT; INTEGRATION

This Agreement incorporates all the agreements, and understandings between the parties, and all such agreements, and understandings are merged into this Agreement. No prior or contemporaneous agreement or understandings, verbal or otherwise, of the parties or their agents will be valid or enforceable unless embodied in this Agreement.

17. NOTICE OF PENALTIES

The Procurement Code, NMSA 1978, Sections 13-1-28 through 13-1-199, imposes civil and criminal penalties for its violation. In addition, New Mexico criminal statutes impose felony penalties for bribes, gratuities, and kickbacks.

18. EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

- A. The Contractor agrees to abide by all federal, state, and local laws, ordinances, and rules and regulations pertaining to equal employment opportunity and unlawful discrimination. Without in any way limiting the foregoing general obligation, the Contractor specifically agrees not to discriminate against any person with regard to employment with the Contractor or participation in any program or activity offered pursuant to this Agreement on the grounds of race, age, religion, color, national origin, ancestry, sex, physical or mental handicap, serious medical condition, spousal affiliation, sexual orientation, or gender identity.
- B. The Contractor acknowledges and agrees that failure to comply with this section will constitute a material breach of this Agreement.

19. COMPLIANCE WITH APPLICABLE LAW; CHOICE OF LAW

- A. In performing its obligations hereunder, the Contractor must comply with all applicable laws, ordinances, and regulations.
- B. Contractor must comply with the requirements of Quay County Ordinance [ORDINANCE #] (Establishing a Living Wage).
- C. This Agreement will be construed in accordance with the substantive laws of the State of New Mexico, without regard to its choice of law rules. Contractor and the County agree that the exclusive forum for any litigation between them arising out of or related to this Agreement will be state district courts of New Mexico, located in Quay County.

20. RECORDS AND INSPECTIONS

- A. To the extent its books and records relate to (i) its performance of this Agreement or any subcontract entered into pursuant to it or (ii) cost or pricing data (if any) set forth in this Agreement or that was required to be submitted to the County as part of the procurement process, the Contractor agrees to (i) maintain such books and records during the term of this Agreement and for a period of six years from the date of final payment under this Agreement; (ii) allow the County or its designee to audit such books and records at reasonable times and upon reasonable notice; and (iii) to keep such books and records in accordance with generally accepted accounting principles (GAAP).
- B. To the extent its books and records relate to (i) its performance of this Agreement or any subcontract entered into pursuant to it or (ii) cost or pricing data (if any) set forth in this Agreement or that was required to be submitted to County as part of the procurement process, the Contractor also agrees to require any subcontractor it may hire to perform its obligations under this Agreement to (i) maintain such books and records during the term of this Agreement and for a period of six years from the date of final payment under the subcontract; (ii) to allow the County or its designee to audit such books and records at reasonable times and upon reasonable notice; and (iii) to keep such books and records in accordance with GAAP.

21. INDEMNIFICATION

- A. The Contractor shall indemnify the County and its elected officials, agents, and employees from any liabilities, damages, demands, suits, costs or expenses, including court costs and legal fees, resulting from the Contractor's performance or non-performance of its obligations under this Agreement.
- B. The County may control and participate in the defense of any demand, suit, or cause of action that relate to the County. No matter will be settled without the County's consent. Consent must not be unreasonably withheld.
- C. The Contractor's obligations under this indemnification section will not be limited by the terms of the insurance policy the Contractor is required to maintain under this Agreement.

22. SEVERABILITY

If any term or condition of this Agreement shall be held invalid or non-enforceable by any court of competent jurisdiction, the remainder of this Agreement will not be affected and shall be valid and enforceable.

23. NOTICES

Any notice required to be given to either party by this Agreement must be in writing and shall be delivered in person, by courier service or by U.S. mail, either first class or certified, return receipt requested, postage prepaid, as follows:

To the County: Quay County Emergency Management
Bill Kardokus
Emergency Manager
300 S Third St
Tucumcari, NM 88401

To the Contractor: H2O Partners, Inc.
Eric Howard
Executive Vice President
1515 S. Capital of Texas Hwy, Suite 305
Austin, Texas 78746

24. CONTRACTOR'S REPRESENTATIONS AND WARRANTIES

The Contractor hereby represents that:

- A. This Agreement has been duly authorized by the Contractor, the person executing this Agreement has authority to do so, and, once executed by the Contractor, this Agreement will constitute a binding obligation of the Contractor.
- B. This Agreement and Contractor's obligations under this Agreement do not conflict with Contractor's corporate agreement or any statement filed with the New Mexico Secretary of State on Contractor's behalf.
- C. Contractor is legally registered and is properly licensed by the State of New Mexico to provide the services anticipated by this Agreement and must maintain such registration and licensure in good standing throughout the duration of the Agreement.

25. FAX or ELECTRONIC SIGNATURES

The parties hereto agree that a fax or electronic signature has the same force and effect as an original for all purposes.

26. NO THIRD-PARTY BENEFICIARIES

This Agreement was not intended to and does not create any rights in any persons not a party.

27. INSURANCE

- A. General Conditions. The Contractor must submit evidence of insurance as is required herein. Policies of insurance shall be written by companies authorized to write such insurance in New Mexico.
- B. General Liability Insurance, Including Automobile. The Contractor must procure and maintain

during the life of this Agreement a comprehensive general liability and automobile insurance policy with liability limits in amounts not less than \$1,000,000.00 combined single limits of liability for bodily injury, including death, and property damage for any one occurrence. Said policies of insurance shall include coverage for all operations performed for the County by the Contractor; coverage for the use of all owned, non-owned, hired automobiles, vehicles and other equipment, both on and off work; and contractual liability coverage under which this Agreement is an insured contract. Santa Fe County must be a named additional insured on the policy.

- C. Increased Limits. If, during the life of this Agreement, the Legislature of the State of New Mexico increases the maximum limits of liability under the Tort Claims Act (NMSA 1978, Sections 41-4-1 through 41-4-29), the Contractor must increase the maximum limits of any insurance required herein.
- D. Workers' Compensation. The Contractor must comply with the provisions of the Workers' Compensation Act.

28. PERMITS, FEES, AND LICENSES

Contractor will procure all permits and licenses, pay all charges, fees, and royalties, and give all notices necessary and incidental to the due and lawful performance of its obligations hereunder.

29. NEW MEXICO TORT CLAIMS ACT

No provision of this Agreement modifies or waives any sovereign immunity or limitation of liability enjoyed by County or its "public employees" at common law or under the New Mexico Tort Claims Act, NMSA 1978, Section 41-4-1.

30. CAMPAIGN CONTRIBUTION DISCLOSURE FORM

The Contractor agrees to complete and submit simultaneous with execution of this Agreement a Campaign Contribution Disclosure form.

31. CONTRACTOR'S AGENT FOR SERVICE OF PROCESS

The Contractor appoints Northwest Registered Agent, Inc., 2201 Menaul Boulevard, Northeast, Suite A, Albuquerque, New Mexico 87107, as its agent for service of process. The Contractor acknowledges that service on the agent will have the same effect as though the Contractor were personally served within the state of New Mexico.

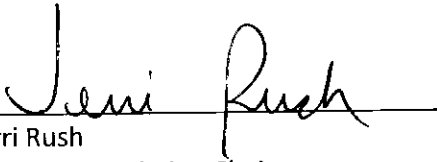
32. SURVIVAL

The provisions of following paragraphs shall survive termination of this Agreement: INDEMNIFICATION; RECORDS AND INSPECTION; RELEASE, CONFIDENTIALITY, PUBLICATION,

REPRODUCTION, AND USE OF MATERIAL; COPYRIGHT; COMPLIANCE WITH APPLICABLE LAW;
CHOICE OF LAW; NO THIRD-PARTY BENEFICIARIES; and SURVIVAL.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date of last signature by the parties.

Quay COUNTY



Jerri Rush
County Commission Chairperson
09/08/2025



CONTRACTOR - H2O Partners, Inc.

Eric Howard
Executive Vice President
Date

DATE/25	NAME	ROAD BLADED	BLOCKS	MILES
8/4/25	CREW	QUAY ROAD AD	6300-6950	
	CREW	QUAY ROAD AC	6800-7500	
	CREW	QUAY ROAD AI	6300-7200	
	CREW	QUAY ROAD 64.5	3700-3850	
	CREW	QUAY ROAD AK	6300-6400	
	LARRY	QUAY ROAD 42	2100-2200	1.00
	LARRY	QUAY ROAD 36	3300-3500	2.00
	TONY	QUAY ROAD AI	5200-5400	2.00
	TONY	QUAY ROAD AG	5800-6000	2.00
	TONY	QUAY ROAD 60	3100-3200	1.00
	JAMES/PAUL	QUAY ROAD 50	1710	
	JAMES/PAUL	QUAY ROAD 50	1427-1541	
	JAMES/PAUL	QUAY ROAD 50	1371-1425	
	JAMES/PAUL	QUAY ROAD I	4800-5100	
	JAMES/PAUL	QUAY ROAD 51	0900-1100	
8/5/25	TONY	QUAY ROAD 61	2800-3100	3.00
	TONY	QUAY ROAD 58	3200-3250	0.50
	TONY	QUAY ROAD 57.8	3200-3270	0.30
	CREW	QUAY ROAD U	6500-6550	
	LARRY	QUAY ROAD AH	3600-3700	1.00
	LARRY	QUAY ROAD 36	3200-3300	1.00
	LARRY	QUAY ROAD AG	3400-3600	2.00
	LARRY	QUAY ROAD 35	3200-3300	1.00
	ANTONIO	QUAY ROAD 55	1900-2200	3.00
8/6/25	ANTONIO	QUAY ROAD 72	1100-1400	3.00
	TYLER	QUAY ROAD 96	0800-1100	3.00
	QUADE	QUAY ROAD AP	6375-6550	
	QUADE	QUAY ROAD 64.5	4040-4100	
	CREW	QUAY ROAD 67	4172	
	TONY	QUAY ROAD AC	6300-6400	1.00
	TONY	QUAY ROAD AJ	6300-6400	1.00
	TONY	QUAY ROAD AL	6400-6450	0.40
8/7/25	QUADE	QUAY ROAD AP	6400-6550	
	QUADE	QUAY ROAD 64	4100-4175	0.75
	ANTONIO	QUAY ROAD 72	1400-1700	3.00
	TYLER	QUAY ROAD 96	1000-1300	3.00
8/11/25	TYLER	QUAY ROAD 96	1300-1400	1.00
	JAMES/ALEX	QUAY ROAD 63/AL		
	JAMES/ALEX	QUAY ROAD/64.5/AL.5		
	JAMES/ALEX	QUAY ROAD 57	3200-3350	
	PAUL	QUAY ROAD 72	1975-1800	0.25
	PAUL	QUAY ROAD J	6600-7200	6.00
	TONY	QUAY ROAD 51	2600-2900	3.00
8/12/25	ALEX/PAUL	QUAY ROAD 64	4100-4300	
	ALEX/PAUL	QUAY ROAD 62.4	4150-4325	
	ALEX/PAUL	EVANS	0700-1000	
	ALEX/PAUL	QUAY ROAD AO	6475-6675	
	TYLER	QUAY ROAD 96	1400-1450	0.50
	TYLER	QUAY ROAD AO	9600-9800	2.00

	TONY	QUAY ROAD AC	5100-5200	1.50
	TONY	QUAY ROAD 65	4100-4175	0.73
	TONY	QUAY ROAD 61	3500-3600	1.00
8/13/25	LARRY	QUAY ROAD 63	4100-4525	4.20
	LARRY	QUAY ROAD AT	6300-6375	0.65
	LARRY	QUAY ROAD AT.2	6250-6300	0.56
	TYLER	QUAY ROAD 52	2550-2750	2.00
	PAUL/ALEX	ALLEN LANE	6400-6475	
	PAUL/ALEX	MAPLE	3900-4000	
	PAUL/ALEX	QUAY ROAD AM.5	6400-6525	
	PAUL/ALEX	QUAY ROAD AL	6214-6500	
	PAUL/ALEX	QUAY ROAD AK	6300-6425	
	PAUL/ALEX	QUAY ROAD 63	3600-3700	
8/14/25	PAUL	QUAY ROAD O	6400-6775	3.75
	TYLER	QUAY ROAD AY	3050-3150	1.00
	TYLER	QUAY ROAD 31	4850-5000	1.50
	TYLER	QUAY ROAD AS	3100-3200	1.00
8/18/25	PAUL	QUAY ROAD O	6200-6400	2.00
	LARRY	QUAY ROAD AE	3400-3600	2.00
	LARRY	QUAY ROAD 32	2800-2900	1.00
	LARRY	QUAY ROAD AC	3200-3400	2.00
	LARRY	31/AE		
	LARRY	31/AD	3100-3200	0.50
	TYLER	QUAY ROAD 31	4850-4900	0.50
	TYLER	QUAY ROAD AT	3100-3300	2.00
	ALEX/JASON	QUAY ROAD AM	6300-6400	
	ALEX/JASON	QUAY ROAD AL	6214-6500	
	ALEX/JASON	QUAY ROAD AK	6000-6300	
	JAMES	AG/60		
8/19/2025	ALEX/JASON	QUAY ROAD AI	6300-7200	
	ALEX/JASON	QUAY ROAD AF	6200-6300	
	TONY	QUAY ROAD Z.5	6245-6275	0.30
	TONY	QUAY ROAD 70	3300-3400	1.00
	TONY	QUAY ROAD 71	3300-3400	1.00
	TONY	QUAY ROAD 72	3375-3550	1.54
	TONY	QUAY ROAD AH	7000-7100	1.00
	TYLER	QUAY ROAD 36	4050-4250	2.00
	LARRY	QUAY ROADAO	3400-3700	3.00
	LARRY	QUAY ROAD AE	3400-3425	0.25
	LARRY	QUAY ROAD AF	3100-3400	1.00
	PAUL	QUAY ROAD 64	1325-1500	1.75
	PAUL	QUAY ROAD M	3200-3225	0.25
8/20/25	LARRY/SORYN	QUAY ROAD AE	3250-3400	1.50
	LARRY/SORYN	QUAY ROAD 34	2900-3000	1.00
	PAUL	QUAY ROAD M	5995-6225	2.20
	PAUL	QUAY ROAD 62	1300-1500	2.00
	TYLER	QUAY ROAD 36	3750-4050	3.00
	TYLER	QUAY ROAD AP/31		
	TONY	QUAY ROAD AI	7200-7400	2.00
	TONY	QUAY ROAD 69	3100-3400	3.00

	TONY	QUAY ROAD 73	3225-3300	0.66
	TONY	QUAY ROAD AF	7620-7825	0.44
8/21/25	JAMES	QUAY ROAD 64.6	4040-4054	
	JAMES	QUAY ROAD 62	3200-3400	
	LARRY	QUAY ROAD AD	3700-3900	2.00
	LARRY	QUAY ROAD 38	2800-2900	1.00
	PAUL	QUAY ROAD K	5900-6100	2.00
	PAUL	QUAY ROAD M	5900-6000	1.00
	PAUL	RT 66	1100-1300	2.00
	PAUL	RT 66	1400-1500	1.00
	TYLER	QUAY ROAD 34	3450-3670	1.70
	TYLER	QUAY ROAD 36	3450-3750	3.00
8/25/25	PAUL	QUAY ROAD 64	17000-2000	3.00
	PAUL	QUAY ROAD T	6300-6400	1.00
	PAUL	ROUTE 66	1300-1500	2.00
	TYLER	QUAY ROAD AT	2400-2500	1.00
	ALEX/MIKE	QUAY ROAD AD	6300-6950	
	JAMES	QUAY ROAD AG	6200-6300	
8/26/25	JAMES	QUAY ROAD AC	5100-5200	
	LARRY	ELDER	0101-0500	0.25
	LARRY	E.MAIN	1300-1500	0.25
8/27/25	LARRY	QUAY ROAD 57	3200-3300	0.50
	LARRY	QUAY ROAD AG	5800-5900	
	TYLER	QUAY ROAD AH	7000-7100	1.00
8/28/25	TONY	QUAY ROAD 65	3200-3300	1.00
	TONY	QUAY ROAD AT	5800-6100	3.00
		TOTAL		131.18

ADDITIONAL WORK TO ROAD/COMMENTS

POTHOLES
POTHOLES
POTHOLES
POTHOLES
POTHOLES

CLEARED LOWWATER CROSSING
CLEARED LOWWATER CROSSING
CLEARED LOWWATER CROSSING
CLEARED LOWWATER CROSSING
CLEARED LOWWATER CROSSING

CLEANED 2 CATTLEGUARDS

MOWED EAST SIDE OF ROAD
MOWED
CLEANED DITCH

MOWED WEST SIDE
MOWED BOTH DITCHES

FIXED POTHOLES

PATCHED HOLES
STOP SIGN INSTALLED AT INTERSECTION
ROAD MARKERS, CLEANED CULVERTS
DELINATORS 1 TRUCK LOAD DIRT

FIXED WASHOUT

MOWED
MOWED
MOWED
MOWED/CLEAN CATTLEGUARD
FIXED POTHOLES
FIXED POTHOLES

MOWED
MOWED
MOWED
MOWED
MOWED
MOWED

SPOT BLADE

FILL IN HOLES BACKSLOPE
PULLED DITCHES
MOWED
MOWED
MOWED
EXTENDED CULVERT PIPE

MOWED
MOWED

CLEARED WEEDS/FIXED POTHOLE

PULLED DITCHES/FILL POTHOLE
PULLED DITCHES/FILL POTHOLE

CLEARED SUNFLOWERS