

an aggregate principal amount not exceeding Fifteen Million Dollars (\$15,000,000) as the Mortgagor shall borrow from the Mortgagee in accordance with the terms hereof.

Each borrowing by the Mortgagor from Mortgagee shall be evidenced by a Note or Notes duly executed and delivered by the Mortgagor, payable to the order of the Mortgagee, dated the date such borrowing is made, substantially in the form annexed hereto as Exhibit A, with appropriate insertions as to numbering, date and principal amount. Each note shall bear interest at the rate of four and one-half per cent. ( $4\frac{1}{2}\%$ ) per annum, computed on the basis of a year of 365 days, payable semi-annually on unmatured and maturing balances of principal, and at the rate of five per cent. (5%) per annum on any portion of the principal which shall not be paid when due for any period that the same is overdue (likewise computed on the basis of a year of 365 days).

SECTION 2.02. *Initial Borrowing.* The initial borrowing shall be evidenced by Note No. 1, in the aggregate principal amount of Two Million Five Hundred Thousand Dollars (\$2,500,000), which shall be executed by the Mortgagor and delivered to the Mortgagee against an advance in that amount by the Mortgagee to the Mortgagor, either before or after the filing and recording hereof.

The obligation of the Mortgagee to make such initial advance is subject to the accuracy of all representations and warranties of the Mortgagor herein contained and to the following further conditions to be fulfilled at or prior to the time of the making of such initial advance:

The Mortgagee shall have received: (a) the Note evidencing such borrowing duly executed by the Mortgagor; (b) a duly executed and acknowledged counterpart of this Indenture; (c) a Certified Resolution authorizing the execution and delivery of this Indenture by the Mortgagor and all borrowings hereunder; (d) a certificate of a Responsible Officer of the Mortgagor to the effect that the representations and warranties of the Mortgagor contained herein shall be true on and as of the date of the making of such initial advance; (e) a Written Request of the Mortgagor requesting such initial advance; (f) the favorable Opinion of Counsel for the Mortgagor, in form and substance satisfactory to counsel for the Mortgagee, as to (i) the due and valid organization and existence of the Mortgagor, (ii) the due authoriza-