

**THIS NOTE IS IN FULLY REGISTERED FORM AND IS NOT TRANSFERABLE
EXCEPT ON THE REGISTRATION BOOKS OF BORROWER**

COCHISE COUNTY DISTRICTS REVOLVING LINE OF CREDIT

PROMISSORY NOTE

Wells Fargo Bank, National Association
8601 North Scottsdale Road, Suite 240
Scottsdale, Arizona 85253

Date: November 4, 2025

Principal Amount: Commitment Amount Cap (as defined in and subject to adjustment from time to time in accordance with the hereinafter defined Loan Agreement)

1. PROMISE TO PAY AND INTEREST. For value received, the undersigned, EACH OF THE DISTRICTS IDENTIFIED IN SCHEDULE I HERETO, ACTING THROUGH THE COCHISE COUNTY TREASURER, AS ITS AGENT (each a “Borrower” and collectively, “Borrowers”) promises to pay to or on the order of WELLS FARGO BANK, NATIONAL ASSOCIATION, or registered assigns (“Bank”) at its above office, or at such other place as Bank may designate in writing, in lawful money of the United States of America, (a) in the aggregate for all Borrowers, the principal sum equal to the Commitment Amount Cap (as such term is defined in and subject to adjustment from time to time in accordance with the Business Loan Agreement (Cochise County Districts Revolving Line of Credit) of even date herewith (the “Loan Agreement”), between Borrowers and Bank, as it may be amended, modified, extended, renewed, restated, or supplemented from time to time), and (b) with respect to each Borrower, the lesser of the unpaid Advances under the Loan Agreement or the maximum amount shown for such Borrower on Schedule I hereto, as it may be amended from time to time, in either case as shown on the records of Bank which, when in agreement with the records of a Borrower, shall (absent manifest error) be conclusive as to such unpaid amount, with interest thereon from the date advanced at the Interest Rate (as hereinafter defined). Neither the Cochise County Treasurer nor Cochise County shall be liable for amounts owed by any Borrower hereunder.

2. INTEREST RATE. The Interest Rate (the “Interest Rate”) during each calendar quarter shall be the rate per annum equal to the rate per annum most recently publicly announced by Bank, or Bank’s successors, in Phoenix, Arizona, as Bank’s “prime rate”, as in effect from time to time, provided that in no event shall the Interest Rate at any time exceed one hundred ten percent (110%) of the previous quarter’s weighted average prime rate among the top three financial institutions by asset size in the State of Arizona. The Interest Rate will be redetermined by Bank on each day that the “prime rate” changes and any changes in the Interest Rate will be effective on and after the date of such change and until the next change. The “prime rate” is set by Bank based on various factors, including Bank’s costs and desired return, general economic conditions and other factors, and is used as a reference point in pricing some loans. Bank may price loans to its customers at, above, or below its “prime rate.” Notwithstanding the foregoing, in no event shall the Interest Rate at any time be less than zero percent (0.00%).

3. REQUIRED PAYMENTS; PAYMENT ON MATURITY. Prior to June 30, 2026, or if the Scheduled Commitment Expiration Date under the Loan Agreement has been extended by mutual agreement between Borrowers, acting through their agent, the Cochise County Treasurer, and Bank (acting in its sole and absolute discretion), such Scheduled Commitment Expiration Date (the “Maturity Date”), payments under this Note shall be made as each Borrower receives “nonrestricted operating revenues”, as such term is used in the Act. On the Maturity Date, each Borrower shall pay to Bank the unpaid principal, all accrued and unpaid interest, and all other amounts (“Other Amounts”) payable by such Borrower to Bank under the Loan Documents (as defined in the Loan Agreement).

4. INTEREST ON PRINCIPAL; DEFAULT RATE. Principal shall bear interest at the Interest Rate from the date of disbursement until the due date thereof, whether by acceleration or otherwise. Principal, interest, and Other Amounts not paid when due and any judgment therefor shall bear interest from its due date or the judgment date, as applicable, until paid at a rate (the “Default Rate”) per annum equal to one hundred ten percent (110.00%) of the previous quarter’s weighted average prime rate among the top three financial institutions by asset size in the State of Arizona (unless a lower maximum rate of interest is then applicable under the Act, in which case, the Default Rate shall be such lower rate of interest under the Act), and such interest shall be immediately due and payable.

5. INTEREST ACCRUAL. All interest under the Loan Documents shall be computed on the basis of a 365-day year and accrue on a daily basis for the actual number of days elapsed. Each Borrower agrees to pay an effective rate of interest that is the sum of (i) the Interest Rate and (ii) any additional rate of interest resulting from any other charges or fees paid or to be paid in connection herewith that are determined to be interest or in the nature of interest.

6. PAYMENT IN FULL PRIOR TO THE MATURITY DATE. Notwithstanding any other provision herein or in the Loan Documents, each Borrower shall pay to Bank all outstanding principal, interest and Other Amounts on June 30 of each year relating to such Borrower. So long as a Borrower makes such payment, such Borrower shall, subject to the provisions of the Loan Agreement, continue to be entitled to Advances pursuant to the Loan Agreement prior to the commitment expiration date specified therein. Principal, interest, and Other Amounts not paid on June 30 of each year shall bear interest from June 30 until paid at the Default Rate, and such interest shall be immediately due and payable.

7. APPLICATION OF PAYMENTS. At the option of Bank, payments shall be applied to principal, interest, and Other Amounts in such order as Bank shall determine.

8. PREPAYMENT. A Borrower may prepay the outstanding principal balance hereof relating to such Borrower, in whole or in part, at any time prior to the Maturity Date without penalty or premium.

9. NO COUNTERCLAIMS, DEDUCTIONS, ETC. All payments and other obligations of each Borrower under the Loan Documents will be made and performed without counterclaim, deduction, defense, deferment, reduction, or set-off.

10. EVENTS OF DEFAULT. Each of the following shall be an event of default (“Event of Default”) as to any Borrower to which the Event of Default applies:

(a) Failure by a Borrower to pay when due (i) any amount payable by such Borrower under any of the Loan Documents, or (ii) any other indebtedness of such Borrower to Bank.

(b) Failure by a Borrower to perform any material obligation not involving the payment of money, or to comply with any other term or condition applicable to such Borrower, in any of the Loan Documents.

(c) Any representation or warranty made by a Borrower in any of the Loan Documents or otherwise or any information delivered by such Borrower to Bank in obtaining or hereafter in connection with the credit evidenced by this Note is or becomes materially incomplete, incorrect, or misleading from the representations or warranties made of the date of this Note or as of the date made or delivered.

(d) The occurrence of any change or other event that Bank determines has or will materially and adversely affect (i) any or all property, interests in property, or rights to property securing the obligations of a Borrower under the Loan Documents, including without limitation the security interest in the nonrestricted operating revenues received by the Cochise County Treasurer on behalf of each Borrower (collectively, the “Collateral”) as security for the obligations of a Borrower under the Loan Documents, (ii) the financial condition of a Borrower, or (iii) the ability of a Borrower to pay the monetary obligations of such Borrower under the Loan Documents.

(e) A Borrower (i) is unable or admits in writing such Borrower’s inability to pay Borrower’s monetary obligations as they become due, (ii) is generally not paying its debts as they become due, (iii) makes a general assignment for the benefit of creditors, or (iv) applies for, consents to, or acquiesces in, appointment of a trustee, receiver, or other custodian for Borrower or any or all of the property of Borrower, or in the absence of such application, consent, or acquiescence by Borrower a trustee, receiver, or other custodian is appointed for Borrower or any or all of the property of Borrower.

(f) Commencement of any case under the Bankruptcy Code (Title 9 of the United States Code) or commencement of any other bankruptcy, arrangement, reorganization, receivership, custodianship, or similar proceeding under any federal or state law by or against a Borrower.

(g) Attachment, garnishment, levy of execution, or seizure by legal process of any or all Collateral of a Borrower, except any pre-judgment attachment or garnishment of any or all Collateral.

(h) Any legal proceeding or other action against or affecting any or all Collateral of a Borrower is commenced (including, without limitation, any prejudgment attachment or garnishment) and is not quashed, stayed, or released within twenty (20) days.

(i) Any Collateral of a Borrower is sold, disposed of, or otherwise transferred by such Borrower after the date of this Note, not in the ordinary course of operations of Borrower.

(j) Any Collateral of a Borrower becomes subject to any lien or security interest, other than the security interest granted to Bank in this Note.

(k) Any Collateral of a Borrower is lost, stolen, suffers substantial damage or destruction, or is used in violation of any law, ordinance, regulation, or rule (federal, state, or local).

(l) A Borrower abandons or, except for expenditure of funds included in the Collateral in the ordinary operations of Borrower, ceases to have exclusive possession of any Collateral or any books and records of Borrower relating to the Collateral.

(m) A Borrower or any other person on behalf of Borrower claims that any Loan Document is not legal, valid, binding, and enforceable against Borrower, that any lien, security interest, or other encumbrance securing any of the obligations under the Loan Documents is not legal, valid, binding, and enforceable, or that the priority of any lien, security interest, or other encumbrance securing any of the obligations in the Loan Documents is different than the priority set forth in the Act (except as such priority may be affected by the laws regarding garnishment of wages of Borrower's employees and federal and state tax liens for withholding taxes of Borrower's employees).

(n) The occurrence of any condition or event that is a default or is designated as a default, an event of default, or an Event of Default in any other Loan Document or in any agreement, document, or instrument relating to any other indebtedness of a Borrower to Bank.

(o) The occurrence of any condition or event that is designated as a default or an event of default and the expiration of any cure period with respect to any other indebtedness of Borrower to any other person.

(p) The failure of a Borrower to repay to Bank within five (5) Business Days of written notice from Bank to Borrower the amount by which the outstanding amount of Advances exceeds the Commitment.

11. **RIGHTS AND REMEDIES OF BANK.** Upon occurrence of an Event of Default, Bank may, at its option, in its absolute and sole discretion, and without demand or notice, (i) declare the obligations in the Loan Documents to be immediately due and payable, whereupon the obligations in the Loan Documents shall be immediately due and payable, and (ii) exercise any or all other rights and remedies of Bank concurrently or consecutively in such order as Bank elects. The rights and remedies of Bank shall be cumulative and non-exclusive. Delay, discontinuance, or failure to exercise any right or remedy of Bank shall not be a waiver thereof, or of any other right or remedy of Bank, or of the time, of the essence provision. Exercise of any right or remedy of Bank shall not cure or waive any Event of Default or invalidate any act done in response to any Event of Default.

12. LIMIT OF LIABILITY OF BANK. In exercising rights and remedies, neither Bank nor any affiliate thereof or any stockholder, director, officer, employee, agent, or representative of Bank or any affiliate thereof shall have any liability for any injury to the assets, business, operations, or property of a Borrower or any other liability to Borrower, other than for its own gross negligence or willful misconduct.

13. PROVISIONS IN LOAN AGREEMENT GOVERN THIS AGREEMENT. This Note is subject to certain terms and provisions in the Loan Agreement, to which reference is made for a statement of such terms and provisions.

14. WAIVER OF STATUTE OF LIMITATIONS. Each Borrower waives, to the full extent permitted by law, the right to plead any statutes of limitations as a defense to any or all obligations under the Loan Documents.

15. WAIVERS BY BORROWER. Each Borrower (i) waives, to the full extent permitted by law, presentment, notice of dishonor, protest, notice of protest, notice of intent to accelerate, notice of acceleration, and all other notices or demands of any kind (except notices specifically provided for in the Loan Documents), and (ii) agrees that Bank may enforce this Note and any other Loan Documents against Borrower without first having sought enforcement against any Collateral.

16. JURY WAIVER. TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, EACH BORROWER AND BANK HEREBY VOLUNTARILY, KNOWINGLY, IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) BETWEEN ANY BORROWER AND BANK ARISING OUT OF OR IN ANY WAY RELATED TO THIS NOTE. THIS PROVISION IS A MATERIAL INDUCEMENT TO BANK TO PROVIDE THE FINANCING DESCRIBED HEREIN.

17. WAIVER OF SPECIAL DAMAGES. EACH BORROWER WAIVES, TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, ANY RIGHT BORROWER MAY HAVE TO CLAIM OR RECOVER FROM BANK IN ANY LEGAL ACTION OR PROCEEDING ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES.

[SIGNATURE PAGE FOLLOWS]

DATED as of the date first above stated.

COCHISE COUNTY

By: _____
Name: Frank Antenori
Title: Chairman of the Board
Cochise County Board of Supervisors

ATTEST:

By: _____
Name: Lara Loewenheim
Title: Clerk of the Board
Cochise County Board of Supervisors

COCHISE COUNTY TREASURER,
As Agent for the Districts Listed in Schedule I hereto

By: _____
Name: Catherine L. Traywick
Title: Cochise County Treasurer

SCHEDULE I - COMMITMENT AMOUNTS
(COMMITMENT AMOUNT CAP = \$1,500,000)
DISTRICT NAMES AND COMMITMENT AMOUNTS

Districts	Federal TIN	Commitment Amounts
SIERRA VISTA UNIFIED SCHOOL DISTRICT	86-0405367	\$1,000,000
WHETSTONE FIRE DISTRICT	86-0496657	\$150,000
SUNSITES-PEARCE FIRE DISTRICT	86-0372114	\$100,000
PALOMINAS FIRE DISTRICT	52-1559852	\$250,000
Total		\$1,500,000