

1. PARTIES

This Amendment (the “Amendment”) to the Original Contract (the “Contract”) shown on the Signature and Cover Page for this Amendment is entered into by and between the Borrower (“Borrower” or “Authority”), and the State (“CWCB”).

2. TERMINOLOGY

Except as specifically modified by this Amendment, all terms used in this Amendment that are defined in the Contract shall be construed and interpreted in accordance with the Contract.

3. AMENDMENT EFFECTIVE DATE AND TERM

A. Amendment Effective Date

This Amendment shall not be valid or enforceable until the Amendment Effective Date shown on the Signature and Cover Page for this Amendment. The State shall not be bound by any provision of this Amendment before that Amendment Effective Date.

The Parties’ respective performances under this Amendment and the changes to the Contract contained herein shall commence on the Amendment Effective Date shown on the Signature and Cover Page for this Amendment.

4. PURPOSE

The Borrower was approved for a CWCB loan contract, in November 2017 for the Consolidated Ditch Headgate Structure Replacement Project. The project was completed and the parties agree to amend the contract to reduce the final loan amount by \$253,870.35. The Borrower also made a principal prepayment of \$400,000.00. The total amount of the current loan contract is decreased by \$653,870.35 from \$1,010,000.00 to \$356,129.65 in consideration of substantial completion of the project and principal prepayment. The total loan amount is hereby modified accordingly.

5. MODIFICATIONS

The Contract and all prior amendments thereto, if any, are modified as follows:

- A. The original loan contract amount is hereby deleted and replaced with the Current Contract Maximum Amount of \$356,129.65, shown on the Signature and Cover Page for this Amendment. The loan terms shall remain at 1.80% for 30 years.
- B. Amendment to Promissory Note, Appendix A, in the revised loan amount and incorporated herein, shall replace and supersede the Original Promissory Note attached to the Original Loan Contract as Appendix 3.
- C. Amendment to Security Agreement, Appendix B, in the revised loan amount and incorporated herein, shall supplement and operate in conjunction with the Original Security Agreement, attached to the Original Loan Contract as Appendix 5.
- D. Amendment to Deed of Trust, Appendix C, in the revised loan amount and incorporated herein, shall supplement and operate in conjunction with the Original Deed of Trust, attached to the Original Contract as Appendix 6. The Amendment to Deed of Trust (Appendix C) shall be recorded with the Rio Grande County Clerk and Recorder.

6. LIMITS OF EFFECT AND ORDER OF PRECEDENCE

This Amendment is incorporated by reference into the Contract, and the Contract and all prior amendments or other modifications to the Contract, if any, remain in full force and effect except as specifically modified in this Amendment. Except for the Special Provisions contained in the Contract, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Contract or any prior modification to the Contract, the provisions of this Amendment shall in all respects supersede, govern, and control. The provisions of this Amendment shall only supersede, govern, and control over the Special Provisions contained in the Contract to the extent that this Amendment specifically modifies those Special Provisions.

Appendix A, Amendment No. 1 to Loan Contract CT2018-1017
Amendment to Promissory Note

Date:	May 4, 2020
Borrower:	Consolidated Ditch and Headgate Company
Total Loan Amount:	\$356,129.65
Interest Rate:	1.80% per annum
Term:	30 years or until loan is paid in full
Loan Contract No.:	CT2018-1017
Annual Loan Payment:	\$15,467.22
Payment Initiation Date:	April 1, 2020
Maturity Date:	April 1, 2050

For Value Received, the Borrower promises to pay the Colorado Water Conservation Board ("CWCB"), the Principal Amount plus Interest for the Term of Repayment, pursuant to the Loan Contract and this promissory note.

1. This Amendment to Promissory Note, in the **revised loan amount of \$356,129.65**, *shall replace and supersede* the Original Promissory Note, attached as Appendix 3 to the Original Loan Contract, in the amount of 1,010,000.00, and incorporated by reference.
2. Principal and interest shall be payable in equal Loan Payments, with the first payment due and payable one year from Payment Initiation Date, and annually thereafter. All principal, interest, and late charges, if any, then remaining unpaid shall be due and payable on or before the Maturity Date.
3. Payments shall be made to the Colorado Water Conservation Board at 1313 Sherman Street Room 718, Denver, Colorado 80203.
4. The CWCB may impose a late charge in the amount of 5% of the annual payment if the CWCB does not receive the annual payment within sixty (60) calendar days of the due date.
5. This Note may be prepaid in whole or in part at any time without premium or penalty. Any partial prepayment shall not postpone the due date of any subsequent payments or change the amount of such payments.
6. All payments received shall be applied first to late charges, if any, next to accrued interest and then to reduce the principal amount.
7. This Note is issued pursuant to the Loan Contract between the CWCB and the Borrower. The Loan Contract creates security interests in favor of the CWCB to secure the prompt payment of all amounts that may become due hereunder. Said security interests are evidenced by a Security Agreement and Deed of Trust ("Security Instruments") of even date and amount and cover certain revenues, real property, water rights and/or accounts of the Borrower. The Loan Contract and Security Instruments grant additional rights to the CWCB, including the right to accelerate the maturity of this Note in certain events.
8. If any annual payment is not paid when due or any default under the Loan Contract or the Security

8. If any annual payment is not paid when due or any default under the Loan Contract or the Security Instruments securing this Note occurs, the CWCB may declare the entire outstanding principal balance of the Note, all accrued interest, and any outstanding late charges immediately due and payable, and the indebtedness shall bear interest at the rate of 7% per annum from the date of default. The CWCB shall give the Borrower written notice of any alleged default and an opportunity to cure within sixty (60) days of receipt of such notice before the Borrower shall be considered in default for purposes of this Promissory Note.
9. The Borrower and any co-signer or guarantor hereby agree that if this Note or interest thereon is not paid when due or if suit is brought, then it shall pay all reasonable costs of collection, including reasonable attorney fees. In the event of any bankruptcy or similar proceedings, costs of collection shall include all costs and attorney fees incurred in connection with such proceedings, including the fees of counsel for attendance at meetings of creditors' committees or other committees.
10. This Note shall be governed in all respects by the laws of the State of Colorado.

Attest:

By [Signature]

By [Signature]

Name Nikita Christensen

Title Secretary

Date 5/4/2020

Consolidated Ditch and Headgate Company

By [Signature]
Signature

Name Scott Schaefer

Title President

Date 5-4-20

**Appendix B, Amendment No.1 to Loan Contract CT2018-1017
Amendment to Security Agreement**

Debtor: Consolidated Ditch and Headgate Company
Secured Party: Colorado Water Conservation Board
Revised Loan Amount: \$356,129.65
Term: 30 years or until loan is paid in full
Interest Rate: 1.80% per annum
Loan Contract Number: CT2018-1017

1. The Parties have amended the Original Loan Contract and Promissory Note to decrease the total loan amount by \$653,870.35 from \$1,010,000.00 to \$356,129.65 and hereby amend the original Security Agreement to document the change.
2. The Parties expressly agree that this Amendment to Security Agreement is supplemental to the Security Agreement and all terms, conditions, and provisions thereof, unless specifically modified below, are to apply to this Amendment to Security Agreement as though they were expressly rewritten, incorporated, and included herein.
3. Collateral for the loan remains the same.


Attest:

By

Name

Title

Date



Signature
Nikita Christensen
Secretary
5/4/2020

Consolidated Ditch and Headgate Company

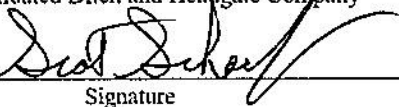
By

Signature

Name

Title

Date



Scot Schaefer
President
5-4-20

**Appendix C, Amendment No.1 to Loan Contract CT2018-1017
Amendment to Deed of Trust**

Date: May 4, 2020
Grantor (Borrower): Consolidated Ditch and Headgate Company
Beneficiary (Lender): Colorado Water Conservation Board
Lender Address: 1313 Sherman Street, Room 718, Denver,
Colorado, 80203
Recorded Date of Original Deed of Trust: 11/27/2017
County of Recording ("County"): Rio Grande
Deed of Trust Recording Information: Reception Number 201700431434 (3 pages)
Loan Contract Number: CT2018-1017
Promissory Note: \$356,129.65, 1.80%, 30 years, annual payment
\$15,467.22
Pledged Property: No change to property pledged per original Deed of
Trust

This Amendment to Original Deed of Trust is between the Grantor and the Public Trustee of the County, State of Colorado.

The Original Deed of Trust was recorded to secure repayment of the indebtedness evidenced by the Loan Contract and Promissory Note between the Grantor and the Beneficiary.

Grantor and Beneficiary have agreed to amend the Original Loan Contract and Promissory Note to decrease the total loan amount by \$653,870.35 from \$1,010,000.00 to \$356,129.65.

NOW THEREFORE, the CWCB and Grantor agree that:

1. This Amendment to Deed of Trust, Appendix C, Amendment No. 1 to Contract Number CT2018-1017, *shall supplement and operate* in conjunction with the Deed of Trust attached to the Original Contract as Appendix 6 recorded in Rio Grande County, Reception Number 201700431434 recorded on 11/27/2017 and incorporated herein by reference.
2. The Grantor has executed an amended Promissory Note, in the amount of \$356,129.65 to secure the repayment of the indebtedness, evidenced by Loan Contract Number CT2018-1017, Amendment No.1, to be repaid to the State of Colorado for the use and benefit of the Department of Natural Resources, Colorado Water Conservation Board ("CWCB") the beneficiary herein, whose address is 1313 Sherman Street, Room 718, Denver, CO 80203, payable in annual installments, in accordance with said Promissory Note, or until the loan is paid in full.
3. In the event of any conflict, inconsistency, variance, or contradiction between the provisions of this amendment and any of the provisions of the Original Deed of Trust the provisions of this amendment shall in all respects supersede, govern, and control.
4. Any provisions of the Original Deed of Trust not expressly modified herein remain in full force and effect.

5. Executed on the date first written above.

Consolidated Ditch and Headgate Company

By Scot Schaefer
Signature

Name Scot Schaefer

Title President

Date 5-4-20

ATTEST: [Signature]
By

Name Nikita Christensen

Title Secretary

Date 5/4/2020

NOTARY REQUIRED

State of Colorado)

County of Rio Grande) ss.

The foregoing instrument was acknowledged before me on May 4, 2020, by
Scot Schaefer (Name) as President (Title)

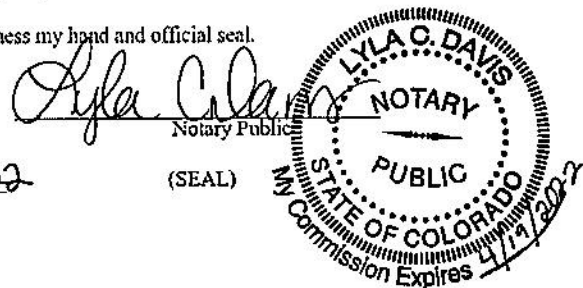
and

Nikita Christensen (Name) as Secretary (Title)

of Consolidated Ditch and Headgate Company. Witness my hand and official seal.

My commission expires on April 19, 2022

(SEAL)



(Colorado Water Conservation Board will record Amendment to Deed of Trust with the County.)