

PROMISSORY NOTE

\$365,000.00

August 26, 2022
Boise, Idaho

FOR VALUE RECEIVED, **Greylock Energy Holdings, LLC**, an Idaho limited liability company, its heirs, successors, and assigns (the "Maker"), promises to pay to the order of **Israel Ray**, his heirs, successors, and assigns (the "Holder"), at **11140 Chicken Dinner Road, Caldwell, Idaho 83607**, or at such other address as may be specified, the principal sum of Three Hundred Sixty-Five Thousand and 00/100 Dollars (\$365,000.00) in lawful money of the United States, together with interest at three percent (3%) per annum on the unpaid principal balance from _____, 2022, until paid in full.

1. **Payment.** This Note shall be paid in equal payments consisting of principal and interest, amortized over fifteen (15) years (the "Term"), in the amount of Two Thousand Five Hundred Twenty Dollars and Sixty-Two Cents (\$2,520.62) per month, commencing _____, 2022, and continuing on the first (1st) day of each calendar month thereafter until paid in full.

2. **Secured Interest.** This Note is secured by the security interest, granted to Holder by Maker under the Pledge and Security Agreement (the "Security Agreement"), a copy of which is attached hereto as Exhibit A, securing all income in excess of Idaho Public Utility Commission approved expenses derived from the Company's sales of electricity referred to therein. Maker warrants and represents to and covenants to Holder that the security interest granted pursuant to this Note is now and at all times hereafter shall be perfected and have a first priority and there are no other liens on said property that have an equal or superior right to Holder, the foregoing notwithstanding, all future security issuances, indebtedness or financial obligation of any nature incurred by the Company and approved by the Idaho Public Utilities Commission shall have a first priority position over the Holder's security interest created herein.

3. **Pre-payment.** The Maker may pre-pay this Note in its entirety at any time without penalty. The amount to be paid by Maker for any pre-payment of the entire Note will consist only of the outstanding principal and accrued interest then due and owing.

(a) In the event Maker pre-pays any portion of the unpaid principal, the monthly payment shall remain the same, but the Term shall be shortened commensurately.

4. **Waiver by Holder of Note.** The failure of Holder to enforce his rights upon any default shall not constitute a waiver of any such rights or operate, or prospectively operate, to release or discharge any maker, guarantor or endorser hereof.

5. **Late Fee.** If a payment is more than fifteen (15) days late, Maker will be charged a late payment fee of five percent (5%) of the regularly scheduled payment.

6. **Default.** Maker will be in default of the terms of this Note if:

(a) Maker fails to make a payment when due;

(b) Maker fails to perform promptly at the time and strictly in the manner provided in this Note or any agreement related to this Note;

(c) any representation or statement made or furnished to the Holder of this Note by Maker is false or misleading in any material respect;

(d) Maker becomes insolvent, a receiver is appointed for any part of Maker's property, Maker makes an assignment for the benefit of creditors, or any proceeding is commenced by or against Maker under bankruptcy or insolvency laws;

(e) any creditor tries to take any of the property on or in which the Holder of this Note has a pledge and/or security interest; or

(f) any of the events described in this section occur with respect to any guarantor of this Note.

Upon the occurrence of an event of default, Holder shall provide written notice to Maker that a default has occurred and request that the default be cured. After receiving such written request, the default shall be cured by Maker within thirty (30) days. In the event Maker does not cure a default within said thirty (30) day period, Holder of this Note may declare the entire unpaid principal and interest immediately due and payable.

7. **Remedies.** Upon the occurrence of an Event of Default, Holder shall have the option, without demand or notice, to:

(a) Declare the unpaid principal balance of this Note, all interest accrued thereon and any other amounts due and payable under the terms of this Note to be immediately due and payable, and the same shall thereupon become and be immediately due and payable without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by Maker;

(b) Foreclose, execute and/or levy upon the liens or security interests securing the payment of this Note; and

(c) Exercise any and all other rights and remedies available at law or in equity.

The remedies of Holder shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of Holder, and may be exercised as often as occasion therefor shall arise.

No act, omission, or other failure on the part of Holder or any holder of this Note to exercise any right, remedy, or recourse hereunder with respect to Maker, whether before or after the occurrence of an Event of Default, shall constitute waiver or release of any such right, remedy, recourse, Event of Default or of any other Event of Default by such holder or on behalf of any other holder; such waiver or release to be effected only through written document executed by Holder or such holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing, as a bar to, or as a waiver or

release of, any subsequent right, remedy or recourse as to a subsequent event. No failure to accelerate the debt of Maker evidenced hereby by reason of an Event of Default or indulgence granted from time to time shall be construed to be a waiver of the right to insist upon prompt payment thereafter, or shall be deemed to be a novation of this Note or a reinstatement of such debt evidenced hereby or a waiver of such right of acceleration or any other right, or be construed so as to preclude the exercise of any right any holder of this Note may have, whether by the laws of the jurisdiction governing this Note, by agreement or otherwise.

8. **Additional Acts.** Except as otherwise provided herein, in addition to the acts and deeds recited herein and contemplated to be performed, executed, and/or delivered by any party, the parties hereto agree to perform, execute and/or deliver, or cause to be performed, executed, and/or delivered, any and all such further acts, deeds, and assurances that any party may reasonably require to consummate the transaction contemplated hereby.

9. **Attorney's Fees.** In any action brought to enforce the terms and conditions of this Note, the prevailing party shall be entitled to recover its reasonable attorney's fees and costs from the non-prevailing party.

10. **Assignment.** The parties agree that this Note is not assignable unless mutually agreed to in writing by the parties. Written notice of any assignment will be given by the assigning party to the other party.

11. **Applicable Law.** This Note shall be governed by the laws and decisions of the state of Idaho. Maker and Holder each hereby waive trial by jury in any action or proceeding to which Maker or Holder may be parties, arising out of, or in any way pertaining to this Note.

IN WITNESS WHEREOF, the undersigned has executed and made effective this Promissory Note on _____, 2022.

MAKER

GREYLOCK ENERGY HOLDINGS, LLC, an
Idaho limited liability company

By: _____

Nicholas Jones

Its: _____

By:  _____

Gene Haught

Its: _____

release of, any subsequent right, remedy or recourse as to a subsequent event. No failure to accelerate the debt of Maker evidenced hereby by reason of an Event of Default or indulgence granted from time to time shall be construed to be a waiver of the right to insist upon prompt payment thereafter, or shall be deemed to be a novation of this Note or a reinstatement of such debt evidenced hereby or a waiver of such right of acceleration or any other right, or be construed so as to preclude the exercise of any right any holder of this Note may have, whether by the laws of the jurisdiction governing this Note, by agreement or otherwise.

8. **Additional Acts.** Except as otherwise provided herein, in addition to the acts and deeds recited herein and contemplated to be performed, executed, and/or delivered by any party, the parties hereto agree to perform, execute and/or deliver, or cause to be performed, executed, and/or delivered, any and all such further acts, deeds, and assurances that any party may reasonably require to consummate the transaction contemplated hereby.

9. **Attorney's Fees.** In any action brought to enforce the terms and conditions of this Note, the prevailing party shall be entitled to recover its reasonable attorney's fees and costs from the non-prevailing party.

10. **Assignment.** The parties agree that this Note is not assignable unless mutually agreed to in writing by the parties. Written notice of any assignment will be given by the assigning party to the other party.

11. **Applicable Law.** This Note shall be governed by the laws and decisions of the state of Idaho. Maker and Holder each hereby waive trial by jury in any action or proceeding to which Maker or Holder may be parties, arising out of, or in any way pertaining to this Note.

IN WITNESS WHEREOF, the undersigned has executed and made effective this Promissory Note on _____, 2022.

MAKER

GREYLOCK ENERGY HOLDINGS, LLC, an
Idaho limited liability company

By: _____


Nicholas Jones

Its: _____

Aug 26, 2022

By: _____

Gene Haught

Its: _____

EXHIBIT A – PLEDGE AND SECURITY AGREEMENT

PROMISSORY NOTE - 4

M:\Clients\Ray, Israel - 22055\22055.002 - Sale of Business (Atlanta Power Co.)\Drafts\2022.08.26 - Promissory Note - FINAL.docx

PLEDGE AND SECURITY AGREEMENT

This PLEDGE AND SECURITY AGREEMENT (“Agreement”) is entered into by and among **Greylock Energy Holdings, LLC**, an Idaho limited liability company, and on behalf of its successors and assigns (“Debtor”) and **Israel Ray**, an unmarried man, and on behalf of his estate, heirs, successors and assigns (the “Secured Party”), with reference to the following:

RECITALS

A. Effective August 26, 2022 (the “Effective Date”), Debtor has executed in favor of Secured Party a Promissory Note in the principal amount of Three Hundred Sixty-Five Thousand and 00/100 Dollars (\$365,000.00) (the “Note”) as payment for all of the Secured Party’s Ownership Interest and/or shares of **Atlanta Power Company, Inc.**, an Idaho corporation (the “Company”), as more particularly described in that certain Purchase and Sale Agreement dated contemporaneously herewith between Debtor and Secured Party incorporated herein by this reference (the “Ownership Interest”).

B. To provide security for payment of the Debtor’s Note, Debtor has agreed to execute this Agreement to pledge all income in excess of Idaho Public Utility Commission approved expenses derived from the Company’s sales of electricity for Debtor’s performance of the terms and conditions of the Note, which is attached hereto as Exhibit A, and incorporated herein by this reference.

C. In accordance with the Note, Debtor and Secured Party enter into this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and recitals and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and with the intent to be legally bound, Debtor and Secured Party agree as follows:

1. Recitals. The foregoing Recitals are true and correct and are incorporated herein by this reference.

2. Grant of Sale Interest.

(a) Debtor pledges and grants to Secured Party its entire interest and rights to all income in excess of Idaho Public Utility Commission approved expenses derived from the Company’s sales of electricity.

(b) Subject to the notice and cure provisions of Section 4 below, if Debtor defaults on its repayment of its obligations under the Note, Debtor shall surrender all income in excess of Idaho Public Utility Commission approved expenses derived from the Company’s sales of electricity to Secured Party, Notwithstanding the foregoing, upon Debtor’s default, Secured Party, the right to pursue all other remedies available at law against Debtor, and to recover all sums due and owing Secured Party under the terms of the Note.

(c) This Agreement shall serve as a "Security Agreement" with respect to all income in excess of Idaho Public Utility Commission approved expenses derived from the Company's sales of electricity. Debtor and Secured Party shall, with respect to only the secured interest in all income in excess of Idaho Public Utility Commission approved expenses derived from the Company's sale of electricity, have all of the rights and remedies available as set forth in the Idaho Uniform Commercial Code, and the exercise of any such rights shall be in addition to, and not in lieu of, all other legal or equitable rights. If applicable, Debtor agrees to execute and deliver such "Financing Statements," and such further assurances as Secured Party may, from time to time, reasonably consider necessary to create, perfect and preserve the security interest granted herein, and Secured Party may cause such statements and assurance to be recorded and filed, at such times and places, as may be required or permitted by law to so create, perfect and preserve such security interest.

3. Term of the Pledge. The term of this Agreement shall commence as of the Effective Date and will continue until Debtor fully satisfies the terms and conditions of the Note and this Agreement.

4. Notice of Default and Opportunity to Cure.

(a) Prior to the exercise of any rights and remedies under this Agreement, which are triggered by Debtor's default of any term and condition of this Agreement or the Note, Secured Party will provide written notice to Debtor of the alleged default and provide Debtor with thirty (30) days, effective from the date of delivery or mailing of said written notice, to effect a cure of the default. If Debtor fails to cure the default within said thirty (30) day period, Secured Party may proceed to exercise any right or remedy available to him under the terms of the Note, this Agreement, and applicable law.

(b) Notice of any default shall be sent to Debtor at:

Greylock Energy Holdings, LLC
1166 E. Leighfield Dr.
Meridian, Idaho 83646

5. Attorney's Fees. In any action brought to enforce the terms and conditions of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees and costs from the non-prevailing party.

6. Severability. If any term, covenant, condition or agreement of this Agreement or the application of it to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant, condition or agreement to persons or circumstances, other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term, covenant, condition or agreement of this Agreement shall be valid and shall be enforced to the extent permitted by law.

7. Counterparts; Facsimile. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but together which shall constitute one and the same instrument. An executed version of this Agreement which has been signed and

transmitted by facsimile or other electronic or mechanical means shall be deemed an original. At the request of either party, the parties will confirm a facsimile transmission of an executed document by signing an original document.

8. **Miscellaneous.**

(a) This Agreement constitutes the entire agreement between Debtor and Secured Party with respect to its subject matter.

(b) This Agreement may be modified only in a writing signed by both Debtor and Secured Party.

(c) This Agreement shall be binding upon and shall inure to the benefit of Debtor and Secured Party and their respective heirs, representatives, successors and assigns.


(d) This Agreement shall be governed by and construed by the laws of the state of Idaho.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of this 26th day of August.

“DEBTOR”

GREYLOCK ENERGY HOLDINGS, LLC, an Idaho limited liability company

By: _____
Nicholas Jones, President

By:  _____
Gene Haught
Title:

“SECURED PARTY”

Israel Ray

transmitted by facsimile or other electronic or mechanical means shall be deemed an original. At the request of either party, the parties will confirm a facsimile transmission of an executed document by signing an original document.

8. Miscellaneous.

(a) This Agreement constitutes the entire agreement between Debtor and Secured Party with respect to its subject matter.

(b) This Agreement may be modified only in a writing signed by both Debtor and Secured Party.

(c) This Agreement shall be binding upon and shall inure to the benefit of Debtor and Secured Party and their respective heirs, representatives, successors and assigns.

(d) This Agreement shall be governed by and construed by the laws of the state of Idaho.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of this 26th day of August.

“DEBTOR”

GREYLOCK ENERGY HOLDINGS, LLC, an Idaho limited liability company

By: _____
Nicholas Jones, President

By: _____
Gene Haught
Title:

“SECURED PARTY”


Israel Ray

transmitted by facsimile or other electronic or mechanical means shall be deemed an original. At the request of either party, the parties will confirm a facsimile transmission of an executed document by signing an original document.

8. Miscellaneous.

(a) This Agreement constitutes the entire agreement between Debtor and Secured Party with respect to its subject matter.

(b) This Agreement may be modified only in a writing signed by both Debtor and Secured Party.

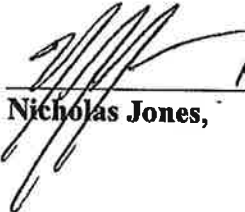
(c) This Agreement shall be binding upon and shall inure to the benefit of Debtor and Secured Party and their respective heirs, representatives, successors and assigns.

(d) This Agreement shall be governed by and construed by the laws of the state of Idaho.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of this 26th day of August.

“DEBTOR”

GREYLOCK ENERGY HOLDINGS, LLC, an Idaho limited liability company

By:  Aug 26, 2022
Nicholas Jones,

By: _____
Gene Haught
Title:

“SECURED PARTY”

Israel Ray

EXHIBIT A
PROMISSORY NOTE

PLEDGE AND SECURITY AGREEMENT - 4

M:\Clients\Ray, Israel - 22055\22055.002 - Sale of Business (Atlanta Power Co.)\Drafts\2022.08.26 - Pledge and Security Agreement - FINAL.docx