

\$1,575,000  
CLINTON INDUSTRIAL AUTHORITY  
TAX APPORTIONMENT NOTE, SERIES 2011 (TAXABLE)  
(CLINTON WATER PARK INCREMENT DISTRICT PROJECT)

DEVELOPMENT FINANCING ASSISTANCE AGREEMENT

THIS DEVELOPMENT FINANCING ASSISTANCE AGREEMENT, dated as of March 1, 2011 (hereinafter, the "Financing Assistance Agreement"), is made and entered into by and between the Clinton Industrial Authority, an Oklahoma public trust (hereinafter, the "Authority"), and HotelMacher LLC, an Oklahoma limited liability company (hereinafter, the "Company").

WITNESSETH:

WHEREAS, the Authority was created by a Trust Indenture, dated as of the 16<sup>th</sup> day of September, 1966, as a public trust for the use and benefit of the City of Clinton, Oklahoma, (hereinafter, the "City") pursuant to the provisions of Title 60, Sections 176, et seq., of the Oklahoma Statutes, as amended and supplemented (hereinafter, the "Public Trust Act") and other applicable statutes of the State of Oklahoma; and

WHEREAS, the City, as the beneficiary thereof, acting through its City Council, has adopted a resolution accepting beneficial interest therein on behalf of said City; and

WHEREAS, the purposes of the Authority are, in part, to promote economic and community development, within and without the territorial limits of the City, and to promote additional employment which will benefit and strengthen the economy of the City and the State of Oklahoma; and

WHEREAS, in order to accomplish its designated purposes, the Authority is empowered to provide funds for the costs of acquiring, constructing, rehabilitating, equipping, securing, maintaining and developing real and personal property within and near the City, and to enter into, make and perform contracts for the sale of its bonds, notes or other evidence of indebtedness to finance the costs thereof; and

WHEREAS, the Company has acquired that certain real property within the City described on Appendix "1" attached hereto (hereinafter, the "Project Site") and proposes to construct and develop: (i) an 87-room Holiday Inn Express, (ii) a 20,000 square-foot water park, (iii) a 25-unit "supersite" RV camping pad; and (iv) a 2,400 square-foot convenience store (hereinafter, the "Project Facilities"), in and on a part of the Project Site (hereinafter, the "Project"); and

WHEREAS, the Company has requested development financing assistance from the Authority in paying the costs of certain street, storm water drainage and other infrastructure improvements to the Project Site; and

WHEREAS, the parties wish to set forth the manner in which the Project is to be undertaken by the Company and the assistance in development financing which the Authority has agreed to provide; and

WHEREAS, the Authority has, by resolution, authorized the sale and issuance of its "Tax Apportionment Note, Series 2011 (Taxable) (Clinton Water Park Increment District Project)" in the principal amount of \$1,575,000 (hereinafter, the "Series 2011 Note") to the City of Clinton, Oklahoma (hereinafter, the "Purchaser"), and the loan of a portion of the proceeds thereof to the Company in order to finance the costs associated with the construction of the Project, and the costs related to the issuance of the Series 2011 Note; and

WHEREAS, pursuant to the terms of that certain "Contract, Security Agreement and Assignment", dated of even date herewith, by and between the Authority and the Purchaser (hereinafter, the "Loan Agreement"), this Financing Assistance Agreement, that certain "Development Financing Assistance Promissory Note", dated as even date herewith (hereinafter, the "Company Note"), that certain "Mortgage and Security Agreement", dated as of even date herewith (hereinafter, the "Mortgage"), that certain "Construction Escrow Agreement", dated as of even date herewith (hereinafter, the "Escrow Agreement"), by and among the Authority, the Company and \_\_\_\_\_, as Escrow Agent, and any and all other instruments evidencing or securing the Company's indebtedness to the Authority are to be pledged and assigned to the Purchaser as security for the payment of the Series 2011 Note.

IN CONSIDERATION of the mutual covenants and agreements contained herein, the Authority and the Company hereby agree as follows:

## ARTICLE I

### PURPOSE OF AGREEMENT

#### SECTION 1.01 Purpose of Agreement.

A. Subject to the terms hereinafter set forth, the Company hereby agrees to undertake the following in connection with the Project:

(i) to cause the design, construction, completion and sale, in the time period hereinafter described, of the Project Facilities, as substantially in accordance with the "Project Facility Plans and Specifications" attached hereto as Appendix "2"; and

(ii) to cause the design, construction and completion, in the time period hereinafter described of certain street, storm water drainage and other infrastructure improvements, on a portion of the Project Site, substantially in accordance with the "Infrastructure Plans and Specifications" attached hereto as Appendix "3".

B. Subject to the terms hereinafter set forth, the Authority hereby agrees to make certain development financing assistance available to the Company by lending the Company the principal sum of \$1,400,000, or such lesser sum as may be needed, said sum to be utilized exclusively for:

(i) the payment of Eligible Costs (as hereinafter described);

(ii) direct costs incurred by the Authority in organizing, implementing, supervising, and administering the Clinton Water Park Increment District, including reasonable charges for the time spent by employees of the City and the Authority in connection with the implementation of the Project and services, and costs for determining or redetermining the base assessed value of the district.

(iii) the payment of costs and expenses incurred incident to this Development Financing Assistance Agreement.

## ARTICLE II

### THE DEVELOPMENT FINANCING ASSISTANCE NOTE, MORTGAGE AND SECURITY AGREEMENT AND FINANCING STATEMENTS

SECTION 2.01 The Development Financing Assistance Note. The loan from the Authority to the Company shall be evidenced by the Development Financing Assistance Promissory Note, in the principal amount of \$1,575,000 executed by the Company, as maker, made payable to the order of the Authority and endorsed for payment by the Authority to the Purchaser (hereinafter, the "Company Note").

SECTION 2.02 Mortgage and Security Agreement; Financing Statements. In order to secure the performance of all covenants and agreements contained in this Development Financing Assistance Agreement, and in the other documents executed or delivered as a part of the loan contemplated hereby and to secure the timely payment of the Company Note, the Company shall grant to the Authority a mortgage lien on the real property comprising the Project Site, and a security interest in certain personal property and fixtures used in connection with the Project, all as more fully described in that certain "Mortgage and Security Agreement", dated of even date herewith (hereinafter, the "Mortgage"), and by UCC-1 Financing Statements to be filed in the appropriate governmental offices in order to perfect the respective security interests recited therein.

## ARTICLE III

### REPRESENTATIONS AND WARRANTIES

SECTION 3.01 Status of the Company. The Company represents that it is a limited liability company duly organized and existing under the laws of the State of Oklahoma. The Company is authorized to conduct business in the State of Oklahoma, and is not in violation of any provisions of its articles of organization, operating agreement, or any other agreement governing the Company, or any law of the State of Oklahoma affecting Company's ability to perform under this Financing Assistance Agreement.

SECTION 3.02 Inducement to the Company. The Company's ability to accomplish the Project with financing assistance from the Authority, through the issuance of the Series 2011 Note and the loan of the net proceeds thereof to the Company, has induced the Company to proceed with the Project and the Company hereby covenants to complete the same and continue to maintain and operate the Project, until all amounts due under the Company Note and this Financing Assistance Agreement have been paid in full.

SECTION 3.03 Full Power and Authority. The Company represents that it has the full power and authority to execute this Financing Assistance Agreement and this Financing Assistance Agreement shall constitute a legal, valid and binding obligation of the Company in accordance with its terms, and the consent of no other party is required for the execution and delivery of this Financing Assistance Agreement by such Company or the consummation of the transactions contemplated hereby.

SECTION 3.04 No Breach. The Company represents that the execution and delivery of this Financing Assistance Agreement, the consummation of the transactions contemplated herein, and the fulfillment of or compliance with the terms and conditions of this Financing Assistance Agreement are not prevented or limited by or in conflict with, and will not result in a breach of, other provisions of its

articles of organization, operating agreement or any other agreement governing such Company or with any evidence of indebtedness, mortgages, agreements, or instruments of whatever nature to which the Company is a party or by which it may be bound, and will not constitute a default under any of the foregoing.

SECTION 3.05 Litigation. There is not currently pending any action, suit, proceeding or investigation, nor, to the knowledge of the undersigned representative of the Company, is any such action threatened which, if adversely determined, would materially adversely affect the Company or the Project, or impair the ability of the Company to carry on its business substantially as now conducted or result in any substantial liability not adequately covered by insurance.

SECTION 3.06 Conflicts of Interest. The Company warrants that it has not paid or given and will not pay or give any officer, employee or agent of the City or the Authority any money or other consideration for obtaining this Financing Assistance Agreement. The Company further represents that, to its best knowledge and belief, no officer, employee or agent of the City or the Authority who exercises or has exercised any functions or responsibilities with respect to the Project during his or her tenure, or who is in a position to participate in a decision making process with regard to the Project, has or will have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Project, or in any activity, or benefit therefrom, during or after the term of this Financing Assistance Agreement.

SECTION 3.07 Availability of Utility Services. All utility services necessary for the development and construction of the Project are available to the Project Site, including water, storm and sanitary sewer facilities, electric and gas utilities, and telephone services.

SECTION 3.08 Financial Representations. Financial statements of the Company heretofore delivered to the Authority and the City are true and correct in all material respects, and fully and accurately present the financial condition of the Company on the respective dates thereof. There has been no material adverse change in the financial condition of the Company since the date of the latest statement furnished.

SECTION 3.09 Disclosures. Neither this Financing Assistance Agreement nor any statement or document referred to herein or delivered by the Company pursuant to this Financing Assistance Agreement contains any untrue statement or omits to state a material fact necessary to make the statements made herein or therein not misleading.

SECTION 3.10 Status of the Authority. The Authority is a duly organized and validly existing public trust under the laws of the State of Oklahoma and as such, is a duly constituted authority of the City and an agency of the State of Oklahoma.

SECTION 3.11 Authorization of the Authority. The Authority is fully empowered to sell and issue the Series 2011 Note and to enter into this Development Financing Assistance Agreement, the Mortgage, and the Contract and Assignment and to perform the transactions contemplated thereby and generally to carry out its obligations hereunder and thereunder. The Authority has duly authorized its Chairman, or in his absence, its Vice-Chairman, to execute and deliver this Financing Assistance Agreement, the Mortgage, the Series 2011 Note, Contract and Assignment, and all other documentation required to consummate the transaction contemplated herein on behalf of the Authority.

SECTION 3.12 No Default. The performance by the Authority under this Financing Assistance Agreement will not violate any provision or constitute a default under any indenture, agreement or instrument to which the Authority is currently bound or by which it is affected.

SECTION 3.13 No Further Approvals. As of the date of execution hereof, all requisite governmental action for the issuance of the Series 2011 Note has occurred and no further consent, approval or other authorization by any court, administrative agency or governmental authority is required in connection with the issuance, sale and delivery of the Series 2011 Note or the execution and delivery of or performance under this Financing Assistance Agreement by the authority or the execution of or performance under any of the other instruments referred to in this Financing Assistance Agreement.

SECTION 3.14 No Litigation. There is no action, suit, proceeding or inquiry at law or in equity pending or, to the knowledge of the undersigned officer of the Authority, threatened, affecting the Authority wherein any unfavorable decision, ruling or finding would materially adversely affect the Authority's ability to perform under this Financing Assistance Agreement or under any other instrument pertinent to the transaction contemplated herein to which the Authority is a party.

SECTION 3.15 Survival of Representation and Warranties. All representations and warranties made by the Company and the Authority herein shall survive the delivery of the Company Note and the other loan instruments described herein and the loan made hereunder, until repayment in full of the Company Note.

## ARTICLE IV

### ACQUISITION OF PROJECT SITE

SECTION 4.01 Acquisition of the Project Site. The Company hereby represents that it now holds fee simple title to all real property comprising the Project Site.

SECTION 4.02 Scope of Development. The Project Site shall be developed within the general requirements established by the zoning and building codes applicable to the Project Site by the City Code of the City of Clinton, Oklahoma (hereinafter, the "Code") and related laws governing municipal planning, zoning and subdivision. The Company shall be responsible for the construction, renovation, improvement, equipping, repair and installation, of all public and private improvements as described in, and in conformance with, the Project Facilities Plans and Specifications. In addition, the Company shall be responsible for the construction, renovation, improvement, equipping, repair and installation, of all public improvements as described in, and in conformance with, the Infrastructure Plans and Specifications.

SECTION 4.03 Basic Concept Drawings. Prior to the execution of this Financing Assistance Agreement, the Company has submitted, and the City has approved, the Project Facilities Plans and Specifications and the Infrastructure Plans and Specifications describing the improvements to be constructed, renovated, equipped, repaired and installed on the Project Site. No substantial changes shall hereafter be made in the Project Facilities Plans and Specifications or in the Infrastructure Plans and Specifications unless mutually agreed upon, in writing, by the Company and the Authority.

SECTION 4.04 Construction Drawings and Related Documents. Following the execution of this Financing Assistance Agreement, the Company shall prepare and submit construction drawings, specifications and related documents for the entire Project Site (hereinafter, the "Preliminary Development Plans") to the City for its review pursuant to the Code. Thereafter, if the Company desires to make any substantial or significant changes in the Preliminary Development Plans, the Company shall submit the proposed changes to the City for its approval. The Company and its approved assignees shall communicate and consult as frequently with the City as is necessary to insure that any modifications to the Preliminary Development Plans can receive prompt and speedy consideration by the City. If any material revisions or corrections of the Preliminary Development Plans shall be required by the City or any other government official, agency, department or bureau having jurisdiction or any lending institution

involved in financing, the Company and the Authority shall cooperate in efforts to develop a mutually acceptable alternative.

**SECTION 4.05 Construction of Improvements.** The Company agrees that all construction, renovation, improvement, equipping, repair and installation work on the Project shall be done in accordance with the Preliminary Development Plans and related documents as originally approved by the City, or as amended with the approval of the City.

**SECTION 4.06 City and Other Governmental Permits.** Before commencement of construction, development or work on or in connection with any buildings, structures or other improvements at the Project Site, the Company shall, at its own expense, secure or cause to be secured any and all permits and approvals which may be required by the City and any other governmental agency having jurisdiction as to such construction, development or work. The Authority shall cooperate with and provide all usual assistance to the Company in securing these permits, and approvals, and shall diligently process, review and consider all such permits and approvals as may be required by law,

**SECTION 4.07 Cost of Construction.** All costs of the Project shall be borne by the Company, except for those costs which are shown as "Eligible Costs", on Appendix "4", attached hereto and made a part hereof. The parties agree that the amounts to be paid for any item shown as an Eligible Cost may be adjusted among any of the stated categories, provided that the total of all Eligible Costs does not exceed the maximum amount of \$1,500,000.

**SECTION 4.08 Construction Schedule.** Not later than June 1, 2010, the Company shall begin, and promptly thereafter diligently prosecute to completion, the construction, renovation, improvement, equipping, repair and installation of the Project. Within ninety (90) days following the execution of this Financing Assistance Agreement, the Company or its designated agent will provide to the Authority a schedule for completion of the Project in accordance with the Preliminary Development Plans. This schedule will serve as a general management tool to forecast resource requirements, and to monitor overall project planning and execution. This schedule may be modified as necessary by the Company, provided that any extension of time in the completion schedule shall require approval of the Authority, as follows:

- (i) The construction contracts shall provide that the Project will be completed within 300 days from the date of such contracts;
- (ii) The Company will use its best efforts to have the Project completed within such time frame. If it appears that the Project cannot be completed within 300 days from the date of the construction contracts, the Company will report to the Authority and Authority approval will be required for any modification of the schedule to extend the completion date; and
- (iii) In addition, progress reports based on this time schedule will be made by the Company at least monthly.

The Company will provide a status report with each monthly report of all bills submitted to and paid by or on behalf of the Company in accordance with the Financing Plan described in Section 5.01 hereof, including a report of expenditures of the proceeds of the Series 2011 Note.

**SECTION 4.09 Rights of Access.** For the purpose of ensuring compliance with this Financing Assistance Agreement, representatives of the Authority shall have the right of access to the Project Site, without charges or fees, at normal construction hours during the period of construction for the purposes of this Financing Assistance Agreement, including, but not limited to, the inspection of the work being

performed in constructing, renovating, improving, equipping, repairing and installing the Project, so long as they comply with applicable safety rules. Except in the case of an emergency, prior to any such access, such representatives of the Authority will check in with the on-site manager. All such representatives of the Authority shall carry proper identification, shall insure their own safety, assuming the risk of injury, and shall not interfere with the construction activity. The Authority agrees to cooperate with the Company in facilitating access by the Company to the Project Site for construction purposes, provided that the Authority shall incur no financial obligations therefor.

**SECTION 4.10 Indemnification of the Authority.** The Company shall defend, indemnify, assume all responsibility for, and hold the Authority and its respective elected and appointed officers and employees and agents, harmless from, all costs (including attorneys fees and costs); claims, demands, liabilities or judgments (except those which have arisen from the willful misconduct or negligence of the Authority, its officers, employees and agents) for injury or damage to property and injuries to persons, including death, which may be caused directly or indirectly by any of the Company's activities under this Financing Assistance Agreement, whether such activities or performance thereof be by the Company or anyone directly or indirectly contracted with or employed by the Company and whether such damage shall accrue or be discovered before or after termination of this Financing Assistance Agreement. This indemnity includes, but is not limited to, any repair, cleanup, remediation, detoxification, or preparation and implementation of any removal, remediation, response, closure or other plan (regardless of whether undertaken due to governmental action) concerning any hazardous substance or hazardous wastes including petroleum and its fractions as defined in the Comprehensive Environmental Response, Compensation and Liability Act; codified at Title 42, Sections 9601, et seq. of the United States Code (hereinafter, "CERCLA"), and all amendments thereto, at any place where Company owns or has control of real property pursuant to any of Company's activities under this Financing Assistance Agreement. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107(e) of CERCLA to assure, protect, hold harmless and indemnify Authority from liability.

**SECTION 4.11 Liability Insurance.**

A. In addition to the indemnification of the Authority required in Section 4.10 hereof, the Company shall take out and maintain during the period set forth in subsection (D) of this Section, a comprehensive general liability policy in the amount of at least One Million Dollars (\$1,000,000) for any person, Two Million Dollars (\$2,000,000) for any occurrence, and One Million Dollars (\$1,000,000) property damage naming the Authority as an additional insured and loss payee, but only with respect to the liability policy.

B. The Company shall furnish a certificate of insurance signed by an authorized agent of the insurance carrier setting forth the general provisions of the insurance coverage. This certificate of insurance shall name the Authority as an additional insured under the policy. The certificate of insurance shall contain a statement of obligation on the part of the carrier to notify the Authority by certified mail of any modification, cancellation or termination of the coverage at least thirty (30) days in advance of the effective date of any such modification, cancellation or termination. Coverage provided hereunder by the Company shall be primary insurance and not contributing with any insurance maintained by the Authority, and the policy shall contain such an endorsement. The required certificate shall be filed with the Authority at the time of execution of this Financing Assistance Agreement.

C. The Company shall also furnish or cause to be furnished to the Authority evidence satisfactory to the Authority that any contractor with whom it has contracted for the performance of work on the Project Site or otherwise pursuant to this Financing Assistance Agreement carries workers compensation insurance as required by law at the time of execution of the Agreement.

D. The insurance obligations set forth in this Section shall remain in effect until a final Certificate of Completion has been furnished for all of the improvements as hereafter provided in this Financing Assistance Agreement.

SECTION 4.12 Performance Bond. Prior to the commencement of work at the Project Site, the Company shall post with the City such surety performance bonds, escrow accounts, or letters of credit in the amounts and for period required by the Code.

SECTION 4.13 Local, State and Federal Laws. The Company shall carry out the provisions of this Financing Assistance Agreement in conformity with all applicable local, state and federal laws and regulations.

SECTION 4.14 Antidiscrimination During Construction. The Company, for itself, its successors and assigns, and any contractor with whom Company has contracted for the performance of work on the Project Site, agrees that in the construction, renovation, improvement, equipping, repair and installation of the Project provided for in this Financing Assistance Agreement, the Company shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, age, sex, marital status, handicap, national origin or ancestry.

SECTION 4.15 Taxes, Assessments, Encumbrances and Liens. The Company shall pay when due all real estate taxes and assessments on the Project Site. Prior to the performance of the obligations in Section 1.01A hereof of this Financing Assistance Agreement and except as permitted in 5.05 of this Financing Assistance Agreement, the Company shall not place or allow to be placed on the Project Site or any part thereof any uncontested mechanic's lien, any mortgage, trust deed, encumbrance or lien. Nothing herein contained shall be deemed to prohibit the Company from contesting the validity or amounts of any tax assessment, encumbrance or lien, nor to limit the remedies available to the Company in respect thereto.

SECTION 4.16 Prohibition Against Transfer of the Project Site or Structures Therein and Assignment of Agreement. During the term of this agreement, the Company shall not, without prior written approval of the Authority which approval shall not be unreasonably withheld, make any total or partial sale, transfer, conveyance, assignment or lease of all or any part of the Project Site, except as permitted by this Financing Assistance Agreement. This prohibition shall not be deemed to prevent, prohibit or restrict the granting of any mortgage lien or security interest in such lot to secure indebtedness to any construction or permanent lender. The foregoing restrictions on assignment, transfer and conveyance shall not apply to: (a) any security interest granted to secure indebtedness to any construction or permanent lender, and (b) the rental and leasing of portions of the Project Site for any uses permitted under the terms of this Financing Assistance Agreement.

SECTION 4.17 Restrictions on Sale of Control By the Company. The qualifications of the Company are of particular importance to the Authority. It is because of the qualifications and identity of the Company, and the management thereof, that the Authority has entered into this Financing Assistance Agreement with the Company. Therefore, the Company agrees that it will not sell a controlling interest in its own membership interests until performance of the obligations in Section 1.01A of this Financing Assistance Agreement to any individual or entity which is not currently a member of the Company. Without limiting the generality of the foregoing, except as otherwise expressly agreed by the Authority in writing, the Company shall not terminate its existence, liquidate or dissolve, or sell all or substantially all of its assets until performance of the obligations in Section 1.01A of this Financing Assistance Agreement.

SECTION 4.18 Establishment of the Construction Escrow. Following the closing of the Series 2011 Note, the amount of \$1,500,000 shall be transferred to the Escrow Fund established pursuant to the provisions of the Construction Escrow Agreement and the Indenture. The amount authorized herein for the payment of Eligible Costs shall be disbursed to the Company at the time and in the manner provided in the Construction Escrow Agreement.

SECTION 4.19 Covenant Respecting Use of Proceeds. The Company covenants that it will not take or omit to take any action which action or omission will cause the proceeds of distributed from the Escrow Account to be applied other than to the payment or reimbursement of payment of Eligible Costs.

SECTION 4.20 Reports By the Company; Sales Tax Collections.

A. The Company will provide a monthly status report of all project costs paid by or on behalf of the Company in accordance with the Financing Plan described in Section 5.01 hereof, including a report of the payment of any Eligible Costs. Such records shall be made available for review or audit at the offices of the Company upon written request by the Authority at a reasonable time after such request.

B. In addition to the requirements of paragraph A of this section, the Company shall also use its best efforts to establish and maintain a record of all sales taxes collected on construction materials used or to be used within the Project Site. Such records shall include not only sales taxes paid on materials purchased by the Company, its agents and employees, but also on all materials purchased for use within the Project Site by any contractor or subcontractor of the Company or any employee or agent of either. To ensure that all contractors and subcontractor provide the information necessary to accurately account for sales taxes paid in connection with the Project, the Company shall require, as a part of any agreement with a contractor doing work on the Project, that such contractor and each of its subcontractors provide the Authority with the following information:

- (i) a listing of construction materials purchased for use within the Project Site;
- (ii) the name and phone number of all vendors providing such material;
- (iii) the date such material was purchased by the contractor or subcontractor; and
- (iv) the amount of sales taxes paid on the construction materials.

## ARTICLE V

### FINANCING

SECTION 5.01 Project Financing. The Company intends to fund its obligations under this Financing Assistance Agreement, including the cost of developing the Project Site, as set out in the Financing Plan attached hereto as Appendix "5" (hereinafter, the "Financing Plan"). The Financing Plan sets forth the amount of the Company's equity investment in the Project (hereinafter, the "Company's Contribution") and the amount of any loans, grants, or other financial contributions being made by any third-party in connection with the Project (hereinafter, the "Loan Proceeds"). The Company hereby represents that it has obtained all agreements from any third-parties which are required for the implementation of the Financing Plan. The Company may not hereafter make any material change or alteration to the Financing Plan without the Authority's prior written permission.

SECTION 5.02 Issuance of the Series 2011 Note.

A. Contemporaneously with the execution of this Financing Assistance Agreement, the Authority shall issue its "Tax Apportionment Note, Series 2011 (Taxable) (Clinton Water Park Increment District Project) (herein, the "Series 2011 Note") in the principal amount of \$1,575,000. The Series 2011 Note shall be a special, limited obligation of the Authority payable solely from the ad valorem, municipal sales

tax and municipal lodging tax increments (hereinafter, the “Increment Revenues”) collected within the boundaries of “Increment District Number 1, City of Clinton, Oklahoma” (hereinafter, the “Clinton Water Park Increment District”), as authorized pursuant to the provisions of Ordinance No. 932 of the City. The Company agrees that, when combined with the Company’s Contribution and the Loan Proceeds, the financing assistance being provided by the Authority pursuant to this agreement will provide sufficient resources to allow the Company to complete the Project, in accordance with the Project Facilities Plans and Specifications and the Infrastructure Plans and Specifications.

**SECTION 5.03 Allocable Increment Revenues as Credits Against the Company Note.** At all times during the term of this Financing Assistance Agreement, the Company shall be entitled to apply as a credit against the amount of principal and interest due under the Company Note, all revenues received by the Authority as Increment Revenues derived from the Project Site, less and except any amounts reasonably required by the Authority to pay or reimburse the Authority for:

- (i) “direct administrative costs”, as defined in Section 853(14)(e) of the Local Development Act, including reasonable charges for the time spent by employees of the Authority or the City in connection with the implementation or monitoring of the Project, which costs shall not exceed \$20,000 in any single calendar year; and
- (ii) “professional service costs”, as defined in Section 853(14)(d) of the Local Development Act, including those incurred for architectural, planning, engineering, legal and financial advice and services, incurred by the City in connection with the monitoring or enforcement of this Financing Assistance Agreement.

(Such revenues, less and except the amounts described in clauses (i) and (ii) above, are hereinafter referred to as the “Allocable Increment Revenues.”) For purposes of this Financing Assistance Agreement, only those Allocable Increment Revenues actually received and deposited into the Apportionment Fund, created pursuant to the terms of the Contract and Assignment) may give rise to a credit against the amounts due under the Series 2011 Note. Estimates of Allocable Increment Revenue, whether made prior to or after the date of this Financing Assistant Agreement, shall not be used to determine the credit hereunder, nor shall any contested ad valorem taxes or sales taxes, whether or not paid under protest, be utilized in the calculation of such credits.

**SECTION 5.04 Liability for Payment of the Company Note.** The Company agrees and acknowledges that it shall be responsible for the payment of all amounts due under the Company Note in excess of the credits described in Section 5.03, and the Company hereby agrees to timely pay all remaining sums due under the Company Note. The Company hereby acknowledges and agrees that the Allocable Increment Revenues will be applied, after payment of the expenses set forth in Section 5.03 hereof, first to the payment of interest and thereafter, to the extent that any Allocable Increment Revenues remain, to the payment of principal, up to the amount payable on such payment date.

**SECTION 5.05 Permitted Encumbrances during Construction.**

A. Notwithstanding any other provision contained herein, the Company may grant mortgage liens and/or security interests in the Project Site to those parties named in the Financing Plan as a construction and/or permanent lender. No other mortgage liens or security interests may be granted by the Company for the acquisition, construction, renovation, improvement, equipping, repair and installation of the Project and/or to secure the permanent financing therefor, except with the prior written consent of the Authority. However, nothing contained in this paragraph is intended to permit or require the subordination of general property taxes, special assessments or any other statutorily authorized governmental lien to be subordinate in the priority of payment to such mortgages.

B. The holder of any mortgage authorized by this Financing Assistance Agreement shall not be obligated by the provisions of this Financing Assistance Agreement to construct or complete the improvements or to guarantee such construction or completion; nor shall any covenant or any other provision in the deed for the Project Site be construed so to obligate such holder. Nothing in this Financing Assistance Agreement shall be deemed to construe, permit or authorize any such holder to devote the Project Site to any uses or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Financing Assistance Agreement

C. With respect to any mortgage lien or security interest granted by the Company as provided herein, whenever the Authority shall deliver any notice or demand to the Company with respect to any breach or default by the Company in completion of construction of the improvements, the Authority shall at the same time deliver to each holder of record of any mortgage or security interest authorized by this Financing Assistance Agreement a copy of such notice or demand, but only if the Authority has been requested to do so in writing by the Company. Each such holder so notified shall have the right, at its option, within ninety (90) days after the receipt of the notice, to cure or remedy or commence to cure or remedy any such default and to add the cost thereof to the mortgage debt and the lien of its mortgage. Nothing contained in this Financing Assistance Agreement shall be deemed to permit or authorize such holder to undertake or continue the construction or completion of the improvements (beyond the extent necessary to conserve or protect the improvements or construction already made) without first having expressly assumed the Company's obligations to the Authority by written agreement with the Authority. The holder, in that event, must agree to complete, in the manner provided in this Financing Assistance Agreement, the improvements to which the lien or title of such holder relate, and submit evidence satisfactory to the Authority that it has the qualifications and financial responsibility necessary to perform such obligations.

## ARTICLE VI

### USE OF THE PROJECT SITE

**SECTION 6.01 Covenant for Non-Discrimination.** The Company covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, familial status, marital status, age, handicap, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Project Site, nor shall the Company itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Project Site. The covenant established in this section shall, without regard to technical classification and designation, be binding for the benefit and in favor of the Authority, its successors and assigns and any successor in interest to the Project Site or any part thereof. The covenants contained in this section shall remain for so long as any amounts due under this Financing Assistance Agreement, the Company Note or the Mortgage remains unpaid or outstanding.

**SECTION 6.02 Maintenance Covenants.** During the period of its ownership, the Company shall be obligated to maintain the Project, and all improvements and landscaping situated thereon, in a clean and neat condition and in a continuous state of good repair in accordance with the Code.

**SECTION 6.03 Effect of Violation of the Terms and Provisions of this Financing Assistance Agreement After Completion of Construction; No Partnership.** The Authority is deemed the beneficiary of the terms and provisions of this Financing Assistance Agreement, for and in its own rights and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor

and for whose benefit this Financing Assistance Agreement and the covenants running with the land have been provided. This Financing Assistance Agreement shall run in favor of the Authority, without regard to whether the Authority has been, remains or is an owner of any land or interest therein in the Project Site. The Authority shall have the right, if this agreement or covenants contained herein are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Financing Assistance Agreement and covenants may be entitled. Nothing contained herein shall be construed as creating a partnership between the Company and the Authority.

## ARTICLE VII

### EVENTS OF DEFAULT AND REMEDIES

SECTION 7.01 Events of Default. The following shall constitute Events of Default hereunder and under each of the instruments executed pursuant to this Financing Assistance Agreement:

- (i) Default in payment when due of any interest on or principal of the Company Note;
- (ii) Default in payment when due of any amount payable to the Authority under the terms of this Financing Assistance Agreement;
- (iii) Default by the Company in the performance or observance of any covenant contained in this Financing Assistance Agreement, the Company Note, the Mortgage, or any other instrument executed pursuant to this Financing Assistance Agreement, or under the terms of any other instrument delivered to the Authority in connection with this Financing Assistance Agreement, including, without limitation, the falsity or breach of any representation, warranty or covenant;
- (iv) Material variance from the approved Project Facilities Plans and Specifications or Infrastructure Plans and Specifications without prior written consent of the Authority with regard to any of the materials, machinery or equipment acquired in connection with the Project or the appurtenances thereto, or any other material variance from the Project Facilities Plans and Specifications or the Infrastructure Plans and Specifications;
- (v) Any representation, statement, certificate, schedule or report made or furnished to the Authority by the Company with respect to the matters and transactions covered by this Financing Assistance Agreement which proves to be false or erroneous in any material respect at the time of its making or any warranty of a continuing nature which ceases to be complied with in any material respect and the Company fails to take or cause to be taken corrective measures satisfactory to the Authority within thirty (30) days after written notice by the Authority; or
- (vi) The initiation of bankruptcy or receivership proceedings by or against the Company and the pendency of such proceedings for sixty (60) days.

SECTION 7.02 Remedies. The Authority will provide the Company with notice and thirty (30) days opportunity to cure any Event of Default described in this Article VII. Upon the Company's failure to cure any Event of Default to the Authority's satisfaction within the thirty (30) day period, the Authority may, at its option, declare the Company Note to be immediately due and payable, whereupon the Company Note and any other amounts due the Authority hereunder shall forthwith become due and

payable without presentment, demand, protest or notice of any kind, and the Authority shall be entitled to proceed simultaneously or selectively and successively to enforce its rights under the Company Note, this Financing Assistance Agreement, the Mortgage, the Contract and Assignment and any of the instruments executed pursuant to the terms hereof, of any one or all of them.

SECTION 7.03 Selective Enforcement. In the event the Authority shall elect to selectively and successively enforce its rights under any of the aforementioned loan documents, such action shall not be deemed a waiver or discharge of any other lien, encumbrance or security instrument securing payment of the Company Note until such time as the Authority shall have been paid in full and sums advanced under the Company Note. The foreclosure of any lien provided pursuant to this Financing Assistance Agreement without the simultaneous foreclosure of all such liens shall not merge the liens granted which are not foreclosed as a result of such selective and successive foreclosure.

SECTION 7.04 Completion by the Authority. If an Event of Default occurs prior to the completion of construction of the Project, the Authority shall have the right, but shall not be bound, to complete the Project according to the approved Project Facilities Plans and Specifications and Infrastructure Plans and Specifications. In the event the Authority elects to so complete the Project, the execution of this Financing Assistance Agreement shall be deemed to an appointment by the Company of the Authority as its true and lawful attorney-in-fact with the full power of substitution to complete, or cause to be completed, the Project in the Company's name and shall empower the Authority as follows:

- (i) to use any funds of the Company, including any funds which may remain unadvanced under the Company Note for the purpose of completing the Project in the manner called for by the Project Facilities Plans and Specifications and the Infrastructure Plans and Specifications;
- (ii) to make minor changes and corrections in the Project Facilities Plans and Specifications and the Infrastructure Plans and Specifications as shall be deemed necessary or desirable by the Authority; provided, however, that such changes do not increase project costs more than five percent (5.00%) determined on a cumulative basis;
- (iii) to employ such contractors, subcontractors, agents, and inspectors as shall be required;
- (iv) to pay, settle or compromise all existing bills and claims which are or may be liens against the property constituting a portion of the Project Site or any part thereof or may be necessary or desirable for completion of the work or obtaining clear title;
- (v) to execute all applications and certificates in the Company's name which may be required by any contract relating to the Project;
- (vi) and to do any and every act with respect to the Project which the Company may do in its own behalf.

It is understood and agreed that this power of attorney shall be deemed to be a power coupled with an interest which cannot be revoked. The Authority, as the Company's attorney-in-fact, shall also have the power to prosecute and defend all actions or proceedings in connection with the Project and to take such action and require such performance as the Authority deems necessary. The cost of said completion, including an amount equal to ten percent (10%) of such cost for the Authority's services in connection with such completion, shall be paid to the Authority by the Company. The Authority is authorized to add such costs to the Company's indebtedness to the Authority, holding the instruments executed in

connection with this loan as security for the payment thereof, irrespective of whether the aggregate amount of such costs and the sums previously paid hereunder exceed the principal amount of the Company Note.

**SECTION 7.05 Enforced Delay; Extension of Times of Performance.**

A. In addition to specific provisions of this Financing Assistance Agreement, performance by either party hereunder shall not be deemed to be in default, and all performance and other dates specified in this Financing Assistance Agreement shall be extended, where the party seeking the extension has acted diligently and delays or defaults are due to events beyond the reasonable control of the party such as but not limited to: default of other party; war; insurrection; strikes; lockouts; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; intergalactic invasion, lack of transportation; litigation; unusually severe weather; or any other causes beyond the control or without the fault of the party claiming an extension of time to perform.

B. Times of performance under this Financing Assistance Agreement may also be extended in writing by the mutual agreement of the Authority and the Company.

**SECTION 7.06 Non-liability of Officials, Employees and Agents of the Authority.** No official, employee or agent of the Authority shall be personally liable to the Company, or any successor in interest, pursuant to the provisions of this Financing Assistance Agreement, for any default or breach by the Authority.

**ARTICLE VIII**

**PREPAYMENT OF THE COMPANY NOTE**

**SECTION 8.01 Optional Prepayment.** Subject to the terms of Section 8.02 hereof, the Company shall have the right, upon thirty (30) days prior notice to the Authority, to prepay the principal of said Company Note, in whole, at a prepayment price equal to the unpaid principal amount of the Company Note, together with accrued interest to the date of prepayment and other unpaid charges, if any.

**SECTION 8.02 Notice of Prepayment.** The party requesting prepayment shall send written notice thereof to the other party postage prepaid. On the prepayment date, funds shall be delivered to the Purchaser to pay the amount of principal to be prepaid together with accrued interest thereon. Upon payment of the principal amount thereof, the Company Note shall cease to bear interest from and after the prepayment date.

**ARTICLE IX**

**MISCELLANEOUS**

**SECTION 9.01 Lender's Obligations Limited.** Nothing in this Financing Assistance Agreement is intended to require or obligate nor shall anything herein be interpreted to require or obligate the Authority to provide, apply or make any payment or advance from any revenue or funds coming into its hands other than the funds derived from: (i) the issuance of the Series 2011 Note, (ii) the Clinton Water Park Increment District, and (iii) the monies received in payment of the Company Note pursuant to this Financing Assistance Agreement.

SECTION 9.02 Notices. Any notices or other communications required or permitted hereunder shall be sufficiently given if delivered personally or sent by registered or certified mail, postage prepaid, return receipt requested and addressed as set forth below or to such other address as the party concerned may substitute by written notice to the other. All notices shall be deemed received within five (5) days (excluding Saturdays, Sundays and holidays recognized by national Purchasing associations) after being mailed:

If to the Company:                      HotelMacher, LLC  
\_\_\_\_\_

If to the Authority:                      Clinton Industrial Authority  
415 Gary Boulevard  
Clinton, Oklahoma 73601  
Attn: Chairman

SECTION 9.03 Amendment. This Financing Assistance Agreement may not be amended or modified in any way, except by an instrument in writing executed by both parties hereto and approved in writing by the Company, the Authority and the Purchaser.

SECTION 9.04 Non-Waiver; Cumulative Remedies. No failure on the part of the Authority to exercise and no delay in exercising any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by the Authority of any right hereunder preclude any other or further right thereof. The remedies herein provided are cumulative and not alternative.

SECTION 9.05 Assignment. Neither this Financing Assistance Agreement nor the loan proceeds hereunder shall be assignable by the Company without the prior written consent of the Authority and the Purchaser. The rights and benefits under this Financing Assistance Agreement may be assigned by the Authority and the Authority specifically intends to assign certain of its rights hereunder to the Purchaser.

SECTION 9.06 Applicable Law. This Financing Assistance Agreement and the documents issued and executed hereunder shall be deemed to be a contract made under the laws of the State of Oklahoma and shall not be construed to constitute the Authority as a joint venturer with the Company or to constitute a partnership among the parties.

SECTION 9.07 Descriptive Headings. The descriptive headings of the articles and sections of this Financing Assistance Agreement are for convenience only and shall not be used in the construction of the terms hereof.

SECTION 9.08 Integrated Agreement. This Financing Assistance Agreement, the Company Note and the Mortgage constitutes the entire agreement between the parties hereto, and there are no agreements, understandings, warranties or representations between the parties regarding the financing of the Project other than those set forth herein.

SECTION 9.09 Time of Essence. Time is of the essence in the performance of this Financing Assistance Agreement.

SECTION 9.10 Binding Effect. This Financing Assistance Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, legal representatives and assigns.

SECTION 9.11 Right to Defend. The Authority shall have the right, but not the obligation, with benefit of counsel selected by the Authority, all at the Company's expense, to commence, appear in or defend any action or proceeding purporting to affect the rights or duties of the parties hereunder, and in connection therewith, pay out of the funds of the loan necessary expenses, including fees of counsel, if the Company fails to so commence, appear in or defend any such action or proceeding, except in a suit by the Company against the Authority, in which case the prevailing party shall be entitled to such fees and expenses as a part of any judgment obtained.

SECTION 9.12 Trustees' Disclaimer. This instrument is executed by the Trustees or officers or both of the Clinton Industrial Authority in their official capacities as such Trustees or officers. By the execution hereof, all parties agree that, for the payment of any claim or the performance of any obligations hereunder, resort shall be had solely to the specific assets of the Authority described herein and no Trustee or officer of the Authority shall be held personally liable therefore. In this regard, specific reference is made to Section 179 of the Public Trust Act and to the Trust Indenture dated as of the 16<sup>th</sup> day of September, 1966, pursuant to which the Authority was created, a copy of which is of record in the office of the County Clerk of Custer County, Oklahoma.

IN WITNESS WHEREOF, the Company and the Authority hereto have caused this instrument to be duly executed this \_\_\_\_ day of \_\_\_\_\_, 2011.

CLINTON INDUSTRIAL AUTHORITY

\_\_\_\_\_  
Chairman

(SEAL)  
ATTEST:

\_\_\_\_\_  
Secretary

HOTELMACHER, LLC

\_\_\_\_\_  
, Manager

ACKNOWLEDGEMENTS

STATE OF OKLAHOMA            )  
  ) SS:  
COUNTY OF CUSTER            )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2011, by \_\_\_\_\_, Chairman of the Clinton Industrial Authority, a public trust, on behalf of the Trust.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

\_\_\_\_\_  
Notary Public

(SEAL)

My Commission Expires \_\_\_\_\_

STATE OF OKLAHOMA            )  
  ) SS:  
COUNTY OF CUSTER            )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2011, by \_\_\_\_\_, as Manager of HotelMacher, LLC, an Oklahoma limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

\_\_\_\_\_  
Notary Public

(SEAL)

My Commission expires \_\_\_\_\_

APPENDIX "1"

LEGAL DESCRIPTION OF THE PROJECT SITE

The boundaries of the Project Site consist of that part of the South Half of Section 22, Township 12 North, Range 17 West of the Indian Meridian, Custer County, Oklahoma, more particularly described, as follows:

Beginning at a point which is the Southwest Corner of said Section 22; thence North 89°33'28" East along the South Boundary Line of Section 22 a distance of 3,632.93 feet; thence North 0°26'32" West a distance of 330 feet; thence North 89°33'28" East a distance of 209.40 feet; thence North 0°26'32" West a distance of 347.80 feet; thence North 89°20'31 East a distance of 516.06 feet; thence Northeasterly on a curve to the right with a radius of 3949.72 feet a distance of 150 feet (with a long chord bearing of North 13°37'46" East 149.99 feet); thence North 16°25'02" East a distance of 15.07 feet; thence North 89°44'37" East a distance of 249.70 feet to a point on the Westerly right-of-way of old U.S. Highway 66; thence Northeasterly on a curve to the right with a radius of 3949.83 feet and along said right-of-way a distance of 178.20 feet (with a long chord bearing of North 16°33'30" 178.19 feet) to a point on the Southern right-of-way boundary of Interstate Highway No. I-40; thence northwesterly and southwesterly along the Southern right-of-way boundary of Interstate Highway No. I-40 to a point where such right-of-way intersects the West Boundary Line of Section 22; thence South and along said West Boundary Line of Section 22 to the point of beginning.

*Draft Financing Assistance Agreement (1) dated February 2, 2011.  
For discussion purposes only.*

APPENDIX "2"

PROJECT FACILITIES PLANS AND SPECIFICATIONS

*Draft Financing Assistance Agreement (1) dated February 2, 2011.  
For discussion purposes only.*

APPENDIX "3"

INFRASTRUCTURE PLANS AND SPECIFICATIONS

APPENDIX "4"

SCHEDULE OF ELIGIBLE COSTS

The Eligible Costs being financed hereunder include the actual costs of the following public works or improvements:

*(i) Storm Water Drainage Facilities and Earthwork* – The Eligible Costs being finance hereunder will include the costs of the construction of storm water drainage improvements within the Project Site, in an amount not to exceed \$400,000. Eligible costs under this category include the actual costs of the acquisition, demolition, alteration, remodeling, repair, construction and/or reconstruction of new or existing structures and fixtures, including curbing, sidewalks and any similar public improvements, common utility or service facilities; landscaping, parking and water detention/retention systems; retaining walls, the actual cost of the clearing and grading of the project site and any environmental remediation related thereto; utility relocation costs; and professional service costs, including those incurred for architectural, planning, engineering and legal.

*(ii) Street* – The Eligible Costs being financed hereunder will include the costs of the construction of a public road connection Red Wheat Drive on the west with Neptune Drive on the east, in an amount not to exceed \$1,100,000. Eligible Costs under this category include the actual costs of the acquisition, demolition, alteration, remodeling, repair, construction and/or reconstruction of new or existing structures and fixtures, including streets, bridges and any similar public improvements, common utility or service facilities, related landscaping, parking and water detention/retention systems; the actual cost of the clearing and grading of the project site and any environmental remediation related thereto; utility relocation costs; professional service costs, including those incurred for architectural, planning, engineering and legal; and

APPENDIX "5"

FINANCING PLAN

COMPANY'S CONTRIBUTION:

TOTAL \$ \_\_\_\_\_

LOAN PROCEEDS:

Loans: \$ 8,600,000.00

First Mortgage Note: The Company has obtained construction financing from Bank of Hydro, pursuant to the terms of that certain "Promissory Note" dated December, 1, 2010. This Promissory Note is secured by a first mortgage lien on all real property owned by the Company within the Project Site.

Grants: \$ -0-

Other Contributions: \$ -0-

TOTAL \$ \_\_\_\_\_

*Draft Financing Assistance Agreement (1) dated February 2, 2011.  
For discussion purposes only.*

*Appendix "5"  
Development Financing Assistance Agreement*