

PROMISSORY NOTE AND AGREEMENT

OKANOGAN COUNTY PUBLIC UTILITY DISTRICT
ENERGY SERVICES DEPARTMENT
1331 SECOND AVE N.
PO BOX 912
OKANOGAN, WA 98840-0912
(509) 422-8427, (509) 422-8428, or (800) 922-7011

Owner Name and Mailing Address:

Service Address:

Three horizontal lines for entering Owner Name and Mailing Address.

Three horizontal lines for entering Service Address.

Account #: _____

THIS PROMISSORY NOTE AND AGREEMENT IS MADE BETWEEN THE PUBLIC UTILITY DISTRICT NO. 1 OF OKANOGAN COUNTY, hereinafter referred to as "PUD", and the Owner named above.

For value received, the undersigned jointly and severally promise to pay \$_____ to the order of the Public Utility District No. 1 of Okanogan County, a municipal corporation of the State of Washington, payable in lawful money of the United States of America, without interest, as follows: the sum of \$_____, or more, together with a monthly service fee in the amount of \$_____ per month for a total of \$_____, within fifteen (15) days of the billing date by the PUD, commencing in the month following disbursement of loan proceeds, and continuing for _____ payments until paid in full. Full payment of the total loan balance to the PUD shall be made on the earlier happening of any of the following events:

- 1. The premises described above ceases to be electrically heated with electric service provided by the PUD;
2. There is a fuel conversion to other than electric heat rendering the building ineligible for this program;
3. Any of said installments are not paid when due and at the PUD's option the whole of said principal sum shall become immediately due and payable;
4. There is any transfer of title, voluntary or involuntary, to the above property.

In case of suit or action is instituted to collect any sums due hereunder, or to enforce this agreement, the undersigned owner(s) promises to pay such additional sum as the court may adjudge reasonable as attorney's fees and court costs in said suit or action.

It is understood by the undersigned owner(s) hereof that the outstanding loan balance shall be a lien against the structure benefited, or a security interest in the mobile home benefited, as per the provisions of Article VIII, Section 10, of the Washington State Constitution, and as an additional and concurrent method of enforcement said lien may be enforced by disconnection of electrical services to the premises benefited until the unpaid balance of the loan is paid in full, or until other arrangements for payment satisfactory to the PUD have been made. This right to terminate electric service is in addition to any other rights that the PUD may have and may be utilized without waiver of any other remedy available to the PUD.

The contractor shall not be authorized to commence work until the PUD has issued a Notice to Proceed. Payment shall be by a check made payable jointly to the undersigned owner(s) and the contractor.

Funds shall not be disbursed pursuant to the terms of this agreement until the project has been completed, inspected and approved by the PUD.

There will be no prepayment penalty if you pay off early.

Owner

Owner

Date

Date

APPROVED BY PUBLIC UTILITY
DISTRICT NO. 1 OF OKANOGAN COUNTY
this _____ Day of _____, 2010.

By: _____

Title: _____