

shall be entitled to turn in and use the County Note and any claims for matured and unpaid interest on the Note and any claim for any other amounts arising under the Note.

The proceeds and avails of any sale of the Collateral and the proceeds and the avails of any remedy hereunder shall be paid and applied as follows:

(a) First, to the payment of all taxes, assessments or liens superior to the lien of these presents, except any taxes, assessments or other superior lien subject to which said sale may have been made;

(b) Second, to the payment to the registered Noteholders of the amount then owing or unpaid on the Note for principal, interest, any penalties or fines and all allowable collection expenses, and in case such proceeds shall be insufficient to pay in full the whole amount so due and owing or unpaid upon the Note with application to be made first to allowable collection expenses, second to any penalties or fines, third to any unpaid interest, and fourth to unpaid principal, such application to be made upon presentation of the Note, and upon the notation thereof of the payment, if partially paid, or the surrender and cancellation thereof, if fully paid; and

(c) Third, to the payment of the amount, if any, then owing to the registered Noteholders and unpaid under the Loan Agreement; and

