

**COMMERCIAL LINE OF CREDIT
AGREEMENT AND NOTE**

The Old Point National Bank Of Phoebus
1 W. Mellen Street PO Box 3392
HAMPTON, Virginia 23663-2305
Peninsula Lending (520)
(757)728-1200

LOAN NUMBER	AGREEMENT DATE	LOAN TERM	LINE OF CREDIT LIMIT	MATURITY DATE
017948117080	April 7, 2014	12 months	\$500,000.00	April 7, 2015
LOAN PURPOSE: New Line of Credit - short term funding source for short term needs				

BORROWER INFORMATION

Fort Monroe Authority
151 Bernard Road
FORT MONROE, VA 23651

IMPORTANT NOTICE

THIS INSTRUMENT CONTAINS A CONFESSION OF JUDGMENT PROVISION WHICH CONSTITUTES A WAIVER OF IMPORTANT RIGHTS YOU MAY HAVE AS A DEBTOR AND ALLOWS THE CREDITOR TO OBTAIN A JUDGMENT AGAINST YOU WITHOUT ANY FURTHER NOTICE.

LINE OF CREDIT AGREEMENT AND NOTE. This Commercial Line of Credit Agreement and Note will be referred to in this document as the "Agreement."

LENDER. "Lender" means The Old Point National Bank Of Phoebus whose address is 1 W. Mellen Street PO Box 3392, HAMPTON, Virginia 23663-2305, its successors and assigns.

BORROWER. "Borrower" means each person or legal entity who signs this Agreement.

PROMISE TO PAY. For value received, receipt of which is hereby acknowledged, on demand by Lender, or if no demand is made, on or before the Maturity Date, the Borrower promises to pay the principal amount of Five Hundred Thousand and 00/100 Dollars (\$500,000.00) or such lesser amount as shall have been advanced by Lender, from time to time, to or on behalf of Borrower under the terms of this Agreement, and all interest on the outstanding principal balance and any other charges, including service charges, to the order of Lender at its office at the address noted above or at such other place as Lender may designate in writing. The Borrower will make all payments in lawful money of the United States of America.

PAYMENT SCHEDULE. This Agreement will be paid according to the following required payment schedule: Beginning on May 7, 2014, monthly payments of accrued and unpaid interest. The unpaid principal balance of this Note, together with all accrued interest and charges owing in connection therewith, shall be due and payable on the Maturity Date unless demanded earlier. **APPLICATION OF PAYMENTS.** You may apply my payments to amounts owing in whatever order you choose unless a specific order is required by law.

INTEREST RATE AND SCHEDULED PAYMENT CHANGES. Interest will begin to accrue on the date of this Agreement. The initial variable interest rate on this Agreement will be 3.250% per annum. This interest rate may change on April 8, 2014, and every day thereafter. Each date on which the interest rate may change is called the "Change Date." Beginning with the first Change Date, Lender will calculate the new interest rate based on base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks known as the Wall Street Journal U.S. Prime Rate in effect on the Change Date (the "Index"). The Index will be rounded to the next highest 0.00100. If the Index is not available at that time, Lender will choose a new Index which is based on comparable information. The Index is used solely to establish a base from which the actual rate of interest payable under this Agreement will be calculated, and is not a reference to any actual rate of interest charged by any lender to any particular borrower.

Nothing contained herein shall be construed as to require the Borrower to pay interest at a greater rate than the maximum allowed by law. If, however, from any circumstances, Borrower pays interest at a greater rate than the maximum allowed by law, the obligation to be fulfilled will be reduced to an amount computed at the highest rate of interest permissible under applicable law and if, for any reason whatsoever, Lender ever receives interest in an amount which would be deemed unlawful under applicable law, such interest shall be automatically applied to amounts owed, in Lender's sole discretion, or as otherwise allowed by applicable law. An increase in the interest rates will result in a higher payment amount. Interest on this Agreement is calculated on a Actual/360. The unpaid balance of this loan shall, after an Event of Default exists under this Agreement or any other agreement related to the loan, be subject to a Default Rate of interest equal to 4.000 percentage points over the applicable interest rate in effect, calculated as described above in the section "Interest Rate".

LATE PAYMENT CHARGE. If any required payment is more than 7 days late, then at Lender's option, Lender will assess a late payment charge of 5.000% of the amount of the regularly scheduled payment then past due.

LINE OF CREDIT TERMS. At any time prior to the Maturity Date, the Borrower and Lender agree that the Borrower may request an advance under this Agreement up to a maximum amount equal to the Line of Credit Limit if before and after the request:

- The outstanding borrowings under this Agreement are not in excess of the Line of Credit Limit.
- An Event of Default does not exist
- The Lender is not precluded by law from making the advance.

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Advances.

- Advances under this Agreement may only be requested in writing by the Borrower or by an authorized person.
- The initial advance will be in the amount of \$0.00.
- The total of all advances requested and unpaid principal cannot exceed Five Hundred Thousand and 00/100 Dollars (\$500,000.00).
- All advances made will be charged to a loan account in Borrower's name on Lender's books, and the Lender shall debit such account the amount of each advance made to, and credit to such account the amount of each repayment made by Borrower.

Suspension and Termination. Advances under this Agreement will be available until the earlier to occur of (a) demand by the Lender, (b) April 7, 2015, (c) the date the Line of Credit is cancelled by Borrower, or (d) the date the Line of Credit is cancelled by Lender due to an occurrence of an Event of Default (collectively, the "Maturity Date"). From and after the Maturity Date, no further advances will be made available to Borrower.

RIGHT OF SET-OFF. To the extent permitted by law, Borrower agrees that Lender has the right to set-off any amount due and payable under this Agreement, whether matured or unmatured, against any amount owing by Lender to Borrower including any or all of Borrower's accounts with Lender. This shall include all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. Such right of set-off may be exercised by Lender against Borrower or against any assignee for the benefit of creditors, receiver, or execution, judgment or attachment creditor of Borrower, or against anyone else claiming through or against Borrower or such assignee for the benefit of creditors, receiver, or execution, judgment or attachment creditor, notwithstanding the fact that such right of set-off has not been exercised by Lender prior to the making, filing or issuance or service upon Lender of, or of notice of, assignment for the benefit of creditors, appointment or application for the appointment of a receiver, or issuance of execution, subpoena or order or warrant. Lender will not be liable for the dishonor of any check when the dishonor occurs because Lender set-off a debt against Borrower's account. Borrower agrees to hold Lender harmless from any claim arising as a result of Lender exercising Lender's right to set-off.

PAYABLE ON DEMAND. This is a demand note. Payment is due upon the earlier to occur of (a) Lender's demand or (b) the Maturity Date.

DISHONORED ITEM FEE. If Borrower makes a payment on the loan with a check or preauthorized charge which is later dishonored, a fee in the amount of \$35.00 will be charged.

RELATED DOCUMENTS. The words "Related Documents" mean all promissory notes, security agreements, mortgages, deeds of trust, deeds to secure debt, business loan agreements, construction loan agreements, resolutions, guaranties, environmental agreements, subordination agreements, assignments and any other documents or agreements executed in connection with this Agreement whether now or hereafter existing, including any modifications, extensions, substitutions or renewals of any of the foregoing. The Related Documents are hereby made a part of this Agreement by reference thereto, with the same force and effect as if fully set forth herein.

DEFAULT. Upon the occurrence of any one of the following events (each, an "Event of Default" or "default" or "event of default"), Lender's obligations, if any, to make any advances will, at Lender's option, immediately terminate and Lender, at its option, may declare all indebtedness of Borrower to Lender under this Agreement immediately due and payable without further notice of any kind notwithstanding anything to the contrary in this Agreement or any other agreement: (a) Borrower's failure to make any payment on time or in the amount due; (b) any default by Borrower under the terms of this Agreement or any other Related Documents executed in connection with this Agreement; (c) any default by Borrower under the terms of any Related Documents in favor of Lender; (d) the death, dissolution, or termination of existence of Borrower or any guarantor; (e) Borrower is not paying Borrower's debts as such debts become due; (f) the commencement of any proceeding under bankruptcy or insolvency laws by or against Borrower or any guarantor or the appointment of a receiver; (g) any default under the terms of any other indebtedness of Borrower to any other creditor; (h) any writ of attachment, garnishment, execution, tax lien or similar instrument is issued against any collateral securing the loan, if any, or any of Borrower's property or any judgment is entered against Borrower or any guarantor; (i) any part of Borrower's business is sold to or merged with any other business, individual, or entity; (j) any representation or warranty made by Borrower to Lender in any of the Related Documents or any financial statement delivered to Lender proves to have been false in any material respect as of the time when made or given; (k) if any guarantor, or any other party to any Related Documents in favor of Lender entered into or delivered in connection with this Agreement terminates, attempts to terminate or defaults under any such Related Documents; (l) Lender has deemed itself insecure or there has been a material adverse change of condition of the financial prospects of Borrower or any collateral securing the obligations owing to Lender by Borrower. Upon the occurrence of an event of default, Lender may pursue any remedy available under any Related Document, at law or in equity.

GENERAL WAIVERS. To the extent permitted by law, the Borrower severally waives any required notice of presentment, demand, acceleration, intent to accelerate, protest and any other notice and defense due to extensions of time or other indulgence by Lender or to any substitution or release of collateral. No failure or delay on the part of Lender, and no course of dealing between Borrower and Lender, shall operate as a waiver of such power or right, nor shall any single or partial exercise of any power or right preclude other or further exercise thereof or the exercise of any other power or right.

JOINT AND SEVERAL LIABILITY. If permitted by law, each Borrower executing this Agreement is jointly and severally bound.

SEVERABILITY. If a court of competent jurisdiction determines any term or provision of this Agreement is invalid or prohibited by applicable law, that term or provision will be ineffective to the extent required. Any term or provision that has been determined to be invalid or prohibited will be severed from the rest of this Agreement without invalidating the remainder of either the affected provision or this Agreement.

SURVIVAL. The rights and privileges of the Lender hereunder shall inure to the benefits of its successors and assigns, and this Agreement shall be binding on all heirs, executors, administrators, assigns and successors of Borrower.

ASSIGNABILITY. Lender may assign, pledge or otherwise transfer this Agreement or any of its rights and powers under this Agreement without notice, with all or any of the obligations owing to Lender by Borrower, and in such event the assignee shall have the same rights as if

Initials



originally named herein in place of Lender. Borrower may not assign this Agreement or any benefit accruing to it hereunder without the express written consent of the Lender.

ORAL AGREEMENTS DISCLAIMER. This Agreement represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

GOVERNING LAW. This Agreement is governed by the laws of the state of Virginia except to the extent that federal law controls.

HEADING AND GENDER. The headings preceding text in this Agreement are for general convenience in identifying subject matter, but have no limiting impact on the text which follows any particular heading. All words used in this Agreement shall be construed to be of such gender or number as the circumstances require.

ATTORNEYS' FEES AND OTHER COSTS. If legal proceedings are instituted to enforce the terms of this Agreement, Borrower agrees to pay all costs of the Lender in connection therewith, including reasonable attorneys' fees, to the extent permitted by law.

WAIVER OF JURY TRIAL. All parties to this Agreement hereby knowingly and voluntarily waive, to the fullest extent permitted by law, any right to trial by jury of any dispute, whether in contract, tort, or otherwise, arising out of, in connection with, related to, or incidental to the relationship established between them in this Agreement or any other instrument, document or agreement executed or delivered in connection with this Agreement or the Related Documents.

WARRANT OF ATTORNEY/CONFESSION OF JUDGMENT. In addition to any other remedies Lender may possess, Borrower knowingly, voluntarily and intentionally authorizes Melissa L. Burroughs or Terri L. Nelson, 1 West Mellen Street, Hampton, VA 23663 to appear on behalf of Borrower, from time to time, in Clerk of the Circuit Court for the City of Hampton, Virginia and to waive issuance and service of process and to confess judgment in favor of Lender against Borrower, for the unpaid principal, accrued interest, accrued charges, reasonable attorney fees and court costs and such other amount due under this Agreement.

By signing this Agreement, Borrower acknowledges reading, understanding, and agreeing to all its provisions and receipt hereof.

Fort Monroe Authority

By: G Glenn Oder Date (Seal)
Its: Executive Director

By: John K Hutcheson Date (Seal)
Its: Deputy Executive Director

LENDER: The Old Point National Bank Of Phoebus

By: Don Buckless Date (Seal)
Its: Senior Vice President

Initials



BUSINESS LOAN AGREEMENT

The Old Point National Bank Of Phoebus
1 W. Mellen Street PO Box 3392
HAMPTON, Virginia 23663-2305
Peninsula Lending (520)
(757)728-1200

AGREEMENT DATE	LOAN NUMBER	AGREEMENT/ACCOUNT NUMBER
April 7, 2014	017948117080	017948117080

BORROWER INFORMATION

Fort Monroe Authority
151 Bernard Road
FORT MONROE, VA 23651

Type of Entity: Governmental Entity
State of Organization/Formation: Virginia

AGREEMENT. This Business Loan Agreement will be referred to in this document as the "Agreement." This Agreement is made by The Old Point National Bank Of Phoebus (Lender) Fort Monroe Authority (Borrower). The consideration is the promises, representations, and warranties made in this Agreement and the Related Documents.

DEFINITIONS. These definitions are used in this Agreement.

"**Collateral**" means the Property that any Party to this Agreement or the Related Documents may pledge, mortgage, or give Lender a security interest in, regardless of where the Property is located and regardless of when it was or will be acquired, together with all replacements, substitutions, proceeds, and products of the Property.

"**Events of Default**" means any of the events described in the "Events of Default" section of this Agreement.

"**Financial Statements**" mean the balance sheets, earnings statements, and other financial information that any Party has, is, or will be giving to Lender.

"**Indebtedness**" means the Loan and all other loans and indebtedness of Borrower to Lender, including but not limited to Lender's payments of insurance or taxes, all amounts Lender pays to protect its interest in the Collateral, overdrafts in deposit accounts with Lender, and all other indebtedness, obligations, and liabilities of Borrower to Lender, whether matured or unmatured, liquidated or unliquidated, direct or indirect, absolute or contingent, joint or several, due or to become due, now existing or hereafter arising.

"**Loan**" means any loan or loans described in the "Identification of Indebtedness" section of this Agreement.

"**Parties**" means all Borrowers, Guarantors, and Hypothecators signing this Agreement.

"**Party**" means any Borrower, Guarantor, or Hypothecator signing this Agreement.

"**Property**" means the Parties' assets, regardless of what kind of assets they are.

"**Related Documents**" means all documents, promissory notes, security agreements, leases, mortgages, construction loan agreements, assignments of leases and rents, guaranties, pledges, and all other documents or agreements executed in connection with this Agreement. The term includes both documents existing at the time of execution of this Agreement and documents executed after the date of this Agreement.

IDENTIFICATION OF INDEBTEDNESS. The following loan and any and all amendments, modifications, extensions, and renewals thereof are subject to this Agreement:

- Loan Number 017948117080 with a principal amount of \$500,000.00

BORROWER'S REPRESENTATIONS AND WARRANTIES. The statements made in this section will continue and remain in effect until all of the Indebtedness is fully paid to Lender. Each Borrower represents and warrants to Lender the following:

Borrower's Existence and Authority. Each Borrower is duly formed and in good standing under all laws governing the Borrower and the Borrower's business, and each Borrower executing this Agreement has the power and authority to execute this Agreement and the Related Documents and to bind that Borrower to the obligation created in this Agreement and the Related Documents.

Financial Information and Filing. All Financial Statements provided to Lender have been prepared and will continue to be prepared in accordance with generally accepted accounting principles, consistently applied, and fully and fairly present the financial condition of each Borrower, and there has been no material adverse change in Borrower's business, Property, or condition, either financial or otherwise, since the date of Borrower's latest Financial Statements. Each Borrower has filed all federal, state, and local tax returns and other reports and filings required by law to be filed before the date of this Agreement and has paid all taxes, assessments, and other charges that are due and payable prior to the date of this Agreement. Each Borrower has made reasonable provision for these types of payments that are accrued but not yet payable. The Borrower does not know of any deficiency or additional assessment not disclosed in the Borrower's books and records.

Title and Encumbrances. Each party has good title to all of the Borrower's assets. All encumbrances on any part of the Property were disclosed to Lender in writing prior to the date of this Agreement.

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Compliance with General Law. Each Borrower is in compliance with and will conduct its business and use its assets in compliance with all laws, regulations, ordinances, directives, and orders of any level of governmental authority that has jurisdiction over the Borrower, the Borrower's business, or the Borrower's assets.

Environmental Laws. The Borrowers are in compliance with all applicable laws and rules of federal, state, and local authorities affecting the environment, as all have been or are amended.

No Litigation/No Misrepresentations. There are no existing or pending suits or proceedings before any court, government agency, arbitration panel, administrative tribunal, or other body, or threatened against Borrower that may result in any material adverse change in the Borrower's business, property, or financial condition, and all representations and warranties in this Agreement and the Related Documents are true and correct and no material fact has been omitted.

COVENANTS. On the date of this Agreement and continuing until the Indebtedness is repaid and Borrower's obligations are fully performed, Borrower covenants as follows.

No Borrowings, Guarantees, or Loans. Borrower will not incur debt, borrow money, or guaranty any loan or other obligation. Borrower will not lend any money or sell any of Borrower's accounts receivable without Lender's prior written permission.

No Encumbrances or Transfer of Assets. Borrower will not mortgage, assign, hypothecate, or encumber any of the Property except to Lender without Lender's prior written permission. Borrower will not sell, transfer, or assign any of the Property without Lender's prior written permission. Borrower will not merge, consolidate, sell, transfer, license, lease, encumber or otherwise dispose of Borrower's Property or Borrower's business.

Other Information. From the date hereof until the Indebtedness is fully repaid and all of Debtors' obligations are fully performed and satisfied, the Parties cited below agree, unless otherwise consented to in writing by the Lender, they will submit the following:

Fort Monroe Authority - audited Annual Financial Statements within 120 days after the end of each calendar year in form acceptable to Lender.

EVENTS OF DEFAULT. The occurrence of any of the following events will be an Event of Default.

Noncompliance with Lender Agreements. Default by Borrower under any provision of this Agreement, the Related Documents, or any other agreement with Lender.

False Statements. If a Party made or makes a false or misleading misrepresentation in this Agreement, in the Related Documents, in any supporting material submitted to Lender or to third parties providing reports to Lender, or in Financial Statements given or to be given to Lender.

Material Adverse Change. Any material adverse change in the Borrower's business, financial condition, or the Property has occurred or is imminent; if the full performance of the obligations of any Party is materially impaired; or if the Collateral and its value or Lender's rights with respect thereto are materially impaired in any way. The existence or reasonable likelihood of litigation, governmental proceeding, default, or other event that may materially and adversely affect a Party's business, financial condition, or the Property.

Insolvency or Liquidation. A Party voluntarily suspends transaction of its business or does not generally pay debts as they mature. If a Party has or will make a general assignment for the benefit of creditors or will file, or have filed against it, any petition under federal bankruptcy law or under any other state or federal law providing for the relief of debtors if the resulting proceeding is not discharged within thirty days after filing. If a receiver, trustee, or custodian is or will be appointed for a Party.

Default on Unrelated Debt. If Borrower materially defaults under a provision of an agreement with a third party or if the indebtedness under such an agreement is accelerated.

Judgments or Attachments. If there is entered against a Party a judgment that materially affects the Borrower's business, financial condition, or the Property, or if a tax lien, levy, writ of attachment, garnishment, execution, or similar item is or will be issued against the Collateral or which materially affects Borrower's business, financial condition, or the Property, and which remains unpaid, unstayed on appeal, undischarged, unbonded, or undismissed for thirty days after it was issued.

Collateral Impairment. Lender has a good-faith belief that Lender's rights in the Collateral are or will soon be impaired or that the Collateral itself is or soon will be impaired.

Termination of Existence or Change in Control. If Borrower or Borrower's business is sold or merged or if Borrower or Borrower's business suspends business or ceases to exist.

Insecurity. If Lender has a good-faith belief that any Party is unable or will soon be unable to perform that Party's duties under this Agreement or under the Related Documents.

Death. The death of an individual who is a Party, a partner in a partnership that is a Party, a member in a limited liability company that is a Party, an officer of a corporation that is a Party, or an individual of similar position in any other type of business organization that is a Party.

REMEDIES ON DEFAULT.

Remedies, No Waiver. The remedies provided for in this Agreement, the Related Documents, and by law are cumulative and not exclusive. Lender reserves the right to exercise some, all, or none of its rights and reserves the right to exercise any right at any time that Lender has the right, without regard to how much time has passed since the right arose. Lender may exercise its rights in its sole, absolute discretion.

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Acceleration, Setoff. Upon an Event of Default, the Loan and the Indebtedness may, at Lender's sole option, be declared immediately due and payable. Lender may apply the Parties' bank accounts and any other property held by Lender against the Indebtedness.

ATTORNEYS' FEES AND OTHER COSTS. If legal proceedings are instituted to enforce the terms of this Agreement, Borrower agrees to pay all costs of the Lender in connection therewith, including reasonable attorneys' fees, to the extent permitted by law.

EXPENSES. The Parties agree to pay all of Lender's reasonable expenses incidental to perfecting Lender's security interests and liens, all insurance premiums, Uniform Commercial Code search fees, and all reasonable fees incurred by Lender for audits, inspection, and copying of the Parties' books and records. The Parties also agree to pay all reasonable costs and expenses of Lender in connection with the enforcement of Lender's rights and remedies under this Agreement, the Related Documents, and any other agreement between one or more Parties and Lender, and in connection with the preparation of all amendments, modifications, and waivers of consent with respect to this Agreement, including reasonable attorneys' fees.

GOVERNING LAW/PARTIAL ILLEGALITY. This Agreement and the Related Documents are and will be governed by, and the rights of the Parties will be determined by the laws of the state of Virginia except to the extent that federal law controls. If any part, term, or provision of this Agreement is determined to be illegal or in conflict with state or federal law, the validity of the remaining portion or provisions of this Agreement will not be affected, unless the stricken portion or provision adversely affects Lender's risk of realizing Lender's anticipated return, in which case Lender may, in its sole discretion, deem the Loan matured.

NOTICES. All notices required under this Agreement must be in writing and will be considered given: (i) on the day of personal delivery, or (ii) one business day after deposit with a nationally recognized overnight courier service, or (iii) three business days after deposit with the United States Postal Service sent certified mail, return receipt requested. Any of these methods may be used to give notice. All notices must be sent to the party or parties entitled to notice at the addresses first set forth in this Agreement. Any Party may change its address for notice purposes on five days prior written notice to the other Parties.

INTEGRATION AND AMENDMENT. This Agreement and other written agreements among the Parties, including but not limited to the Related Documents, are the entire agreement of the Parties and will be interpreted as a group, one with the others. None of the Parties will be bound by anything not expressed in writing, and this Agreement cannot be modified except by a writing executed by those Parties burdened by the modification.

FURTHER ACTION. The Parties will, upon request of Lender, make, execute, acknowledge, and deliver to Lender the modified and additional instruments, documents, and agreements, and will take the further action that is reasonably required, to carry out the intent and purpose of this transaction.

CONTINUING EFFECT. Unless superseded by a later Business Loan Agreement, this Agreement will continue in full force and effect until all of the Parties' obligations to Lender are fully satisfied and the Loan and Indebtedness are fully repaid.

HEADINGS. All headings in this Agreement are included for reference only and do not have any effect on the interpretation of this Agreement.

COUNTERPARTS. This Agreement may be executed by the Parties using any number of copies of the Agreement. All executed copies taken together will be treated as a single Agreement.

TIME IS OF THE ESSENCE. Time is of the essence in the performance of this Agreement.

TRANSFERS. Borrower may not assign or transfer its rights or obligations under this Agreement without Lender's prior written consent. Lender may transfer its interest in Lender's sole discretion. Borrower waives all rights of offset and counterclaim Borrower has against Lender. The purchaser of a participation in the loan may enforce its interest regardless of any claims or defenses Borrower has against Lender.

JURISDICTION. The Parties agree to waive any objection to jurisdiction or venue on the ground that the Parties are not residents of Lender's locality. The Parties authorize any action brought to enforce the Parties' obligations to be instituted and prosecuted in any state court having jurisdiction or in the United States District Court for the District that includes Lender's location as set forth at the beginning of this Agreement. The Parties authorize Lender to elect the court at Lender's sole discretion.

WAIVER OF JURY TRIAL. All parties to this Agreement hereby knowingly and voluntarily waive, to the fullest extent permitted by law, any right to trial by jury of any dispute, whether in contract, tort, or otherwise, arising out of, in connection with, related to, or incidental to the relationship established between them in this Agreement or any other instrument, document or agreement executed or delivered in connection with this Agreement or the Related Documents.

ORAL AGREEMENTS DISCLAIMER. This Agreement represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

ADDITIONAL PROVISIONS. CAFR Report due annually. There shall be no change in ownership, control or key management.



By signing this Agreement, Borrower acknowledges reading, understanding and agreeing to all its provisions and receipt of a copy hereof.

Fort Monroe Authority

By: G Glenn Oder Date (Seal)
Its: Executive Director

By: John K Hutcheson Date (Seal)
Its: Deputy Executive Director

LENDER: The Old Point National Bank Of Phoebus

By: Don Buckless Date (Seal)
Its: Senior Vice President

Initials



COMMERCIAL LOAN SETTLEMENT STATEMENT

The Old Point National Bank Of Phoebus
 1 W. Mellen Street PO Box 3392
 HAMPTON, Virginia 23663-2305
 Peninsula Lending (520)
 (757)728-1200

LOAN NUMBER	AGREEMENT DATE
017948117080	April 7, 2014

BORROWER INFORMATION

Fort Monroe Authority
 151 Bernard Road
 FORT MONROE, VA 23651

BORROWER. The term "Borrower" refers to the Borrowers identified above.

LENDER. "Lender" is The Old Point National Bank Of Phoebus whose address is 1 W. Mellen Street PO Box 3392, HAMPTON, Virginia 23663-2305

DISTRIBUTION OF LOAN PROCEEDS	
TOTAL	\$0.00
AMOUNT OF PROCEEDS REMAINING BUT NOT DISBURSED	\$500,000.00
TOTAL LOAN AMOUNT	\$500,000.00
SUMMARY OF LOAN-RELATED CHARGES - PAID OUTSIDE OF CLOSING	
CHARGES PAID BY BORROWER OUTSIDE OF CLOSING	
For Borrower to Old Point National Bank	\$1,000.00
TOTAL	\$1,000.00
TOTAL CHARGES PAID OUTSIDE OF CLOSING	\$1,000.00

By signing this Settlement Statement, each Borrower acknowledges reading, understanding and receiving a copy of a completed copy of this statement.

Fort Monroe Authority

 By: G Glenn Oder
 Its: Executive Director

(Seal)

 Date

 By: John K Hutcheson
 Its: Deputy Executive Director

(Seal)

 Date

Initials



**RESOLUTION
GOVERNMENTAL ENTITY**

**The Old Point National Bank Of Phoebus
1 W. Mellen Street
PO Box 3392
HAMPTON, Virginia 23663-2305
(757)728-1200**

LOAN NUMBER	SUPERSEDED RESOLUTION DATE	RESOLUTION DATE
017948117080	April 4, 2014	April 7, 2014

GOVERNMENT AGENCY INFORMATION

Fort Monroe Authority
151 Bernard Road
FORT MONROE, VA 23651

GUARANTEED BORROWER INFORMATION

Fort Monroe Authority
151 Bernard Road
FORT MONROE, VA 23651

By signing below, I certify to The Old Point National Bank Of Phoebus ("Lender") that: I am the properly elected or appointed Secretary of Fort Monroe Authority, which is properly established and existing under the laws of the State of Virginia; the adoption and execution of this Resolution is permitted and in accordance with law and authority of Fort Monroe Authority, as in effect as of the date of this Resolution to the Lender; this Resolution was properly adopted at and contained in the minutes of a duly called meeting of Fort Monroe Authority, on November 18, 2010. The Resolution is still in force and effect and has not been amended or rescinded; the Lender may rely upon our certification as to our authority to adopt and execute this Resolution and to make the representation in this Resolution; provided below are the correct titles and names and the genuine signatures of the persons authorized to exercise the powers provided in the Resolution ("Authorized Signers") and we have the power and authority to make this certification and to execute this Resolution.

IT IS RESOLVED:

The Authorized Signers shall possess the powers indicated as contained in this Resolution. Each power has a designated Authority Code that indicates the powers available to each Authorized Signer.

NAME/TITLE	SIGNATURE	AUTHORITY CODE/LIMITATIONS
G Glenn Oder Executive Director		L1 , L2 , L3 , L4 , L5 , L6 , L8 , L7
John K Hutcheson Deputy Executive Director		L1 , L2 , L3 , L4 , L5 , L6 , L8 , L7

BORROW MONEY. [Authority Code - L1] As in their judgment, to borrow from time to time from Lender, on such terms as may be agreed upon between the Governmental Entity and Lender, such sum or sums of money without limitation.

Number of signers required: 2

EXECUTE NOTES. [Authority Code - L2] To execute and deliver to Lender the promissory note(s), or other evidence of credit accommodations of the Governmental Entity, on Lender's forms, at such rates of interest and on such terms as may be agreed upon evidencing the sums of money so borrowed or any indebtedness of the Governmental Entity to Lender, and also to execute and deliver to Lender one or more renewals, extensions, modifications, refinancings, consolidations, or substitutions for one or more of the notes, any portion of the notes, or any other evidence of credit accommodations.

Number of signers required: 2

GRANT SECURITY. [Authority Code - L3] To mortgage, pledge, transfer, endorse, hypothecate, or otherwise encumber and deliver to Lender, as security for the payment of any loans or credit accommodations so obtained, any promissory notes so executed including any amendments to or modifications, renewals, and extensions of such promissory notes, or any other or further indebtedness of the Governmental Entity or any third party to Lender at any time owing, however the same may be evidenced, any property now or hereafter belonging to the Governmental Entity or in which the Governmental Entity now or hereafter may have an interest, including without limitation all real property and all personal property (tangible or intangible) of the Governmental Entity. Such property may be mortgaged, pledged, transferred, endorsed, hypothecated, or encumbered at the time such loans are obtained or such indebtedness is incurred, or at any other time or times, and may be either in addition or in lieu of any property theretofore mortgaged, pledged, transferred, endorsed, hypothecated, or encumbered.

Number of signers required: 2



EXECUTE SECURITY DOCUMENTS. [Authority Code - L4] To execute and deliver to Lender the forms of mortgage, deed of trust, pledge, agreement, hypothecation agreement, and other security agreements and financing statements which may be submitted by Lender, and which shall evidence the terms and conditions under and pursuant to which liens and encumbrances, or any of them are given; and also to execute and deliver to Lender any authorizations and other written instruments, any chattel paper, or any other collateral, of any kind or nature, which they may at their discretion deem reasonably necessary or proper in connection with or pertaining to the giving and perfecting of liens and encumbrances.

Number of signers required: 2

NEGOTIATE ITEMS. [Authority Code - L5] To draw, endorse, and discount with Lender all drafts, trade acceptances, promissory notes, or other evidences of indebtedness payable to or belonging to the Governmental Entity in which the Governmental Entity may have an interest, and either to receive cash for the same or to cause such proceeds to be credited to the account of the Governmental Entity with Lender, or to cause such other disposition of the proceeds derived therefrom as they may deem advisable.

Number of signers required: 2

ADVANCE UNDER LINE OF CREDIT. [Authority Code - L6] In the case of lines of credit, to designate additional or alternative individuals as being authorized to request advances thereunder, and in all cases, to perform such other acts and things, to pay any and all fees and costs, and to execute and deliver such other documents and agreements, (including agreements waiving the right to a trial by jury) as they may in their discretion deem reasonably necessary or proper in order to carry into effect the provisions of these Resolutions. The persons indicated herein are currently authorized to request advances and authorize payments under the line of credit until Lender receives written notice or revocation of their authority.

Number of signers required: 2

ENTER INTO LEASE AGREEMENTS. [Authority Code - L8] To enter into any form of personal property or fixture lease with Lender, upon such terms as this Governmental Entity and Lender may agree.

Number of signers required: 2

GUARANTEE INDEBTEDNESS. [Authority Code - L7] To give the guarantee of this Governmental Entity for the debts of the Guaranteed Borrower to Lender, from time to time, on Lender's forms and upon such terms as this Governmental Entity, Guaranteed Borrower, and Lender may deem necessary.

Number of signers required: 2

IT IS FURTHER RESOLVED THAT:

AUTHORIZED SIGNER'S POWERS. Authorized Signers are authorized to make any and all other contracts, agreements, stipulations and orders which the Authorized Signers may deem advisable for the effective exercise of their powers.

SIGNATURES. The Lender shall be indemnified and held harmless by the Governmental Entity for any claims, expenses, damages or attorney fees resulting from the honoring of any signature, authorized by this Resolution, or refusing to honor any signature not so authorized, regardless of whether or not such signature was genuine, if such signature reasonably resembles the specimen provided to the Lender. The Lender shall also be permitted to rely upon non-signature security and verification codes which it provides to or receives from an Authorized Signer and shall be indemnified and held harmless by the Governmental Entity for any claims, expenses, damages or attorney fees resulting from their use.

IMPROPER ENDORSEMENT. Any negotiable instrument, check, draft or order for the payment of moneys not clearly endorsed by the Authorized Signer may be returned to the Governmental Entity by the Lender. The Lender, in its sole discretion, alternatively may endorse on behalf of the Governmental Entity any negotiable instrument, check, draft or order for the payment of money not clearly endorsed in order to facilitate collection. Lender shall have no liability for any delay in the presentment or return of any negotiable instrument, check, draft, or order for the payment of money which is not properly endorsed.

DISPOSITION OF FUNDS. When withdrawal or transfer powers are granted to an Authorized Signer, the Lender is directed and authorized to act upon and honor withdrawal or transfer instructions issued and to honor, pay, transfer from and charge to any depository account(s) of the Governmental Entity, all negotiable instruments, checks, drafts, or orders for the payment of money so drawn when signed consistent with the Resolution without inquiring as to the disposition of the proceeds or the circumstances surrounding the issuance of the negotiable instrument, check or order for the payment of money involved, whether such negotiable instruments, checks, drafts or orders for the payment of money are payable to the order of, or endorsed or negotiated by any Authorized Signer signing them or any Authorized Signer in their individual capacities or not, and whether they are deposited to the individual credit of or tendered in payment of the individual obligation or account of any Authorized Signer signing them or of any other Authorized Signer.

PRIOR ENDORSEMENTS. All negotiable instruments, checks, drafts or orders for the payment of money deposited with prior endorsements are guaranteed by the Governmental Entity.

PRE-RESOLUTION TRANSACTIONS. All actions by Authorized Signers in accordance with this Resolution but before the adoption of this Resolution are approved, ratified, adopted and confirmed by the Governmental Entity.

WARRANTY. The Lender may rely upon the certification as to the authority of the Governmental Entity to execute this Resolution and make the representations in this Resolution.



NOTIFICATION OF CHANGES. The Governmental Entity shall notify Lender in writing at its address shown above in advance of any changes which would affect the validity of any matter certified in this Resolution.

REVOCATION AND MODIFICATION. An act ("Act") to modify, terminate, amend or replace this Resolution will not immediately affect the ability of the Lender to rely upon this Resolution. The Act shall not affect any action by the Lender in reliance on this Resolution before the date the Act becomes effective as set forth in the next sentence. An Act will not become effective until all of the following occur: (a) Lender receives written notification of the Act in form and substance satisfactory to Lender and (b) the Lender has had a reasonable period of time to act upon such notification. Until the Act is effective, this Resolution shall remain in full force and bind the Governmental Entity, its legal representatives, heirs, successors and assigns.

FACSIMILE SIGNATURES. The Lender shall be entitled to honor and charge the Governmental Entity for all such negotiable instrument, checks, drafts or other orders for payment of money drawn in the name of the Governmental Entity, on its regular accounts, including an order for electronic debit, whether by electronic tape or otherwise, regardless of by whom or by what means facsimile signatures or other non-manual signature (collectively, "Facsimile Signatures") may have been affixed, or electronically communicated, if such Facsimile Signatures resembles the specimens duly certified to or filed with the Lender for any of the named Authorized Signers, regardless of whether any misuse is with or without the negligence of the Governmental Entity. The Governmental Entity agrees that the duty of maintaining the security of any such Facsimile Signatures or device by which it is affixed is solely that of the Governmental Entity.

IN WITNESS WHEREOF, I, G Robert Aston, Jr., have hereunto subscribed my name as Secretary of Fort Monroe Authority and hereby acknowledge that the above Authorized Signers have authority to exercise the powers provided in this Resolution on April 7, 2014.

(Seal)

By: G Robert Aston, Jr.
Its: Secretary

Date



**ERROR AND OMISSIONS COMPLIANCE
AGREEMENT**

**The Old Point National Bank Of Phoebus
1 W. Mellen Street PO Box 3392
HAMPTON, Virginia 23663-2305
Peninsula Lending (520)
(757)728-1200**

LOAN NUMBER	DATE	
017948117080	April 7, 2014	

BORROWER INFORMATION

Fort Monroe Authority
151 Bernard Road
FORT MONROE, VA 23651

LENDER. "Lender" means The Old Point National Bank Of Phoebus whose address is 1 W. Mellen Street PO Box 3392, HAMPTON, Virginia 23663-2305 , its successors and assigns.

BORROWER. "Borrower" means each person or legal entity who signs this Agreement.

In consideration of all loans and other financial accommodations from Lender to Borrower, the undersigned hereby agree that if requested by Lender or Closing Agent for Lender to fully cooperate and adjust for clerical errors, any or all loan closing documentation if deemed necessary or desirable in the reasonable discretion of Lender.

The undersigned agree to comply with all above noted requests by Lender within 30 days from date of mailing of said requests. The undersigned agree to assume all costs including, by way of illustration and not limitation, actual expenses, legal fees, and marketing losses for failing to comply with correction requests in the above noted time period.

The undersigned do hereby so agree and covenant in order to assure that this loan documentation executed this date will assure marketable title in the said Borrower.

By signing this Error and Omissions Compliance Agreement, each Borrower acknowledges reading, understanding, and agreeing to all its provisions.

Fort Monroe Authority

By: G Glenn Oder _____ (Seal)
Its: Executive Director Date

By: John K Hutcheson _____ (Seal)
Its: Deputy Executive Director Date

Initials





**THE
OLD
POINT
NATIONAL
BANK**

SAME NAME AFFIDAVIT

Before me, the undersigned authority, this day personally appeared

G. Glenn Oder ("Affiant") who being by

me first duly sworn, affirmed as follows:

1. Affiant is one and the same person as:

G. G. Glen Oder, G. Oder, Glen Oder

2. This affidavit is given in reference to all loan documentation, including but not limited to the Promissory Note, Security Agreement and/or Deed of Trust, in connection with Loan Number: 017948117080.

G. Glenn Oder

STATE OF VIRGINIA

CITY/COUNTY OF _____, to-wit:

Sworn to and subscribed before me this _____ day of _____, 2014 by

G. Glenn Oder

Notary Public

My Commission Expires: _____



**THE
OLD
POINT
NATIONAL
BANK**

SAME NAME AFFIDAVIT

Before me, the undersigned authority, this day personally appeared

John K. Hutcheson ("Affiant") who being by

me first duly sworn, affirmed as follows:

1. Affiant is one and the same person as:

John Hutcheson, J. K. Hutcheson, J. Hutcheson, K. Hutcheson

2. This affidavit is given in reference to all loan documentation, including but not limited to the Promissory Note, Security Agreement and/or Deed of Trust, in connection with Loan Number: 017948117080.

John K. Hutcheson

STATE OF VIRGINIA

CITY/COUNTY OF _____, to-wit:

Sworn to and subscribed before me this _____ day of _____, 2014 by

John K. Hutcheson

Notary Public

My Commission Expires: _____

The Fort Monroe Authority

CORPORATE RESOLUTION

Be it resolved that **G. Glenn Oder, Executive Director, and John K. Hutcheson, Deputy Executive Director**, are hereby authorized to borrow on behalf of **Fort Monroe Authority** (the Authority) any one or more times and in any one or more borrowings, in any amount plus interest, and to enter such one or more refinances, extensions, renewals, and modifications of the Loan as deemed advisable as required for maintenance of said borrowings with any FDIC insured facility. They are authorized to execute any documents necessary in connection with loans including but not limited to promissory notes, deeds of trust, and guaranties.

I, **G. Robert Aston, Jr. Secretary of the Board of Trustees of Fort Monroe Authority** that was created and enacted by the General Assembly of Virginia, and approved March 26, 2011, hereby certify that the foregoing is a true act to the Code of Virginia, Chapter 716, §2.2-2343 Authority may borrow money, accept contributions, etc. (page 6 of 7).

Date _____

G. Robert Aston, Jr., Secretary