conditions or agreements on the part of the Mortgagor, in any of the Notes, Loan Agreements or in this Mortgage, and such default shall continue for a period of thirty (30) days after written notice specifying such default and requiring the same to be remedied and stating that such notice is a "Notice of Default" hereunder shall have been given to the Mortgagor by any Mortgagee; PROVIDED, HOWEVER that in the case of a default on the terms of a Note or Loan Agreement of a particular Mortgagee, the "Notice of Default" required under this paragraph may only be given by that Mortgagee;

(c) the Mortgagor shall file a petition in bankruptcy or be adjudicated a bankrupt or insolvent, or shall make an assignment for the benefit of its creditors, or shall consent to the appointment of a receiver of itself or of its property, or shall institute proceedings for its reorganization or proceedings instituted by others for its reorganization shall not be dismissed within sixty (60) days after the institution thereof;

(d) a receiver or liquidator of the Mortgagor or of any substantial portion of its property shall be appointed and the order appointing such receiver or liquidator shall not be vacated within sixty (60) days after the entry thereof;

(e) the Mortgagor shall forfeit or otherwise be deprived of its corporate charter or franchises, permits, easements, or licenses required to carry on any material portion of its business;

(f) a final judgment for an amount of more than $25,000 shall be entered against the Mortgagor and shall remain unsatisfied or without a stay in respect thereof for a period of sixty (60) days; or,

(g) any material representation or warranty made by the Mortgagor herein, in the Loan Agreements or in any certificate or financial statement delivered hereunder or thereunder shall prove to be false or misleading in any material respect at the time made.

Section 4.02. Acceleration of Maturity; Rescission and Annulment:

(a) If an Event of Default described in Section 4.01(a) has occurred and is continuing, any Mortgagee upon which such default has occurred may declare the principal of all its Notes secured hereunder to be due and payable immediately by a notice in writing to the Mortgagor and to the other Mortgagees (failure to provide said notice to any other Mortgagee shall not affect the validity of any acceleration of the Note or Notes by such Mortgagee), and upon such declaration, all unpaid principal (and premium, if any) and accrued interest so declared shall become due and payable immediately, anything contained herein or in any Note or Notes to the contrary notwithstanding.

(b) If any other Event of Default shall have occurred and be continuing, any Mortgagee may declare the principal of all its Notes secured hereunder to be due and payable immediately by a notice in writing to the Mortgagor and to the other Mortgagees (failure to provide said notice to any other Mortgagee shall not affect the validity of any acceleration of the Note or Notes by such Mortgagee), and upon such declaration, all unpaid principal (and premium, if any) and accrued interest so declared shall become due and payable immediately, anything contained herein or in any Note or Notes to the contrary notwithstanding.

(c) Upon receipt of actual knowledge of or any notice of acceleration by any Mortgagee, any other Mortgagee may declare the principal of all of its Notes to be due and payable

immediately by a notice in writing to the Mortgagor and upon such declaration, all unpaid principal (and premium, if any) and accrued interest so declared shall become due and payable immediately, anything contained herein or in any Note or Notes or Loan Agreements to the contrary notwithstanding.

(d) If after the unpaid principal of (and premium, if any) and accrued interest on any of the Notes shall have been so declared to be due and payable, all payments in respect of principal and interest which shall have become due and payable by the terms of such Note or Notes (other than amounts due as a result of the acceleration of the Notes) shall be paid to the respective Mortgagees, and (i) all other defaults under the Loan Agreements, the Notes and this Mortgage shall have been made good or cured to the satisfaction of the Mortgagees representing at least 80% of the aggregate unpaid principal balance of all of the Notes then outstanding, (ii) proceedings to foreclose the lien of this Mortgage have not been commenced, and (iii) all reasonable expenses paid or incurred by the Mortgagees in connection with the acceleration shall have been paid to the respective Mortgagees, then in every such case such Mortgagees representing at least 80% of the aggregate unpaid principal balance of all of the Notes then outstanding may by written notice to the Mortgagor, for purposes of this Mortgage, annul such declaration and waive such default and the consequences thereof, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

Section 4.03. Remedies of Mortgagees:

If one or more of the Events of Default shall occur and be continuing, any Mortgagee personally or by attorney, in its or their discretion, may, in so far as not prohibited by law:

(a) take immediate possession of the Mortgaged Property, collect and receive all credits, outstanding accounts and bills receivable of the Mortgagor and all rents, income, revenues, proceeds and profits pertaining to or arising from the Mortgaged Property, or any part thereof, whether then past due or accruing thereafter, and issue binding receipts therefor; and manage, control and operate the Mortgaged Property as fully as the Mortgagor might do if in possession thereof, including, without limitation, the making of all repairs or replacements deemed necessary or advisable by such Mortgagee in possession;

(b) proceed to protect and enforce the rights of all of the Mortgagees by suits or actions in equity or at law in any court or courts of competent jurisdiction, whether for specific performance of any covenant or any agreement contained herein or in aid of the execution of any power herein granted or for the foreclosure hereof or hereunder or for the sale of the Mortgaged Property, or any part thereof, or to collect the debts hereby secured or for the enforcement of such other or additional appropriate legal or equitable remedies as may be deemed necessary or advisable to protect and enforce the rights and remedies herein granted or conferred, and in the event of the institution of any such action or suit the Mortgagee instituting such action or suit shall have the right to have appointed a receiver of the Mortgaged Property and of all proceeds, rents, income, revenues and profits pertaining thereto or arising therefrom, whether then past due or accruing after the appointment of such receiver, derived, received or had from the time of the commencement of such suit or action, and such receiver shall have all the usual powers and duties of receivers in like and similar cases, to the fullest extent permitted by law, and if application shall be made for the appointment of a receiver the Mortgagor hereby expressly consents that the court to which such application shall be made may make said appointment; and

(c) sell or cause to be sold all and singular the Mortgaged Property or any part thereof, and all right, title, interest, claim and demand of the Mortgagor therein or thereto, at public auction at such place in any county (or its equivalent locality) in which the property to be sold, or any part thereof, is located, at such time and upon such terms as may be specified in a notice of sale, which shall state the time when and the place where the sale is to be held, shall contain a brief general description of the property to be sold, and shall be given by mailing a copy thereof to the Mortgagor at least fifteen (15) days prior to the date fixed for such sale and by publishing the same once in each week for two successive calendar weeks prior to the date of such sale in a newspaper of general circulation published in said locality or, if no such newspaper is published in such locality, in a newspaper of general circulation in such locality, the first such publication to be not less than fifteen (15) days nor more than thirty (30) days prior to the date fixed for such sale. Any sale to be made under this subparagraph (c) of this Section 4.03 may be adjourned from time to time by announcement at the time and place appointed for such sale or for such adjourned sale or sales, and without further notice or publication the sale may be had at the time and place to which the same shall be adjourned; provided, however, that in the event another or different notice of sale or another or different manner of conducting the same shall be required by law the notice of sale shall be given or the sale be conducted, as the case may be, in accordance with the applicable provisions of law. The expense incurred by any Mortgagee (including, but not limited to, receiver's fees, counsel fees, cost of advertisement and agents' compensation) in the exercise of any of the remedies provided in this Mortgage shall be secured by this Mortgage.

(d) In the event that a Mortgagee proceeds to enforce remedies under this Section, any other Mortgagee may join in such proceedings. In the event that the Mortgagees are not in agreement with the method or manner of enforcement chosen by any other Mortgagee, the Mortgagees representing a majority of the aggregate unpaid principal balance on the then outstanding Notes may direct the method and manner in which remedial action will proceed.

Section 4.04. Application of Proceeds from Remedial Actions:

Any proceeds or funds arising from the exercise of any rights or the enforcement of any remedies herein provided after the payment or provision for the payment of any and all costs and expenses in connection with the exercise of such rights or the enforcement of such remedies shall be applied first, to the ratable payment of indebtedness hereby secured other than the principal of or interest on the Notes; second, to the ratable payment of interest which shall have accrued on the Notes and which shall be unpaid; third, to the ratable payment of or on account of the unpaid principal of the Notes; and the balance, if any, shall be paid to whomsoever shall be entitled thereto.

Section 4.05. Remedies Cumulative; No Election:

Every right or remedy herein conferred upon or reserved to the Mortgagees or to the Noteholders shall be cumulative and shall be in addition to every other right and remedy given hereunder or now or hereafter existing at law, or in equity, or by statute. The pursuit of any right or remedy shall not be construed as an election.

Section 4.06. Waiver of Appraisement Rights; Marshaling of Assets Not Required:

The Mortgagor, for itself and all who may claim through or under it, covenants that it will not at any time insist upon or plead, or in any manner whatever claim, or take the benefit or advantage of, any appraisement, valuation, stay, extension or redemption laws now or hereafter in force in any locality where any of the Mortgaged Property may be situated, in order to prevent, delay or hinder

the enforcement or foreclosure of this Mortgage, or the absolute sale of the Mortgaged Property, or any part thereof, or the final and absolute putting into possession thereof, immediately after such sale, of the purchaser or purchasers thereat, and the Mortgagor, for itself and all who may claim through or under it, hereby waives the benefit of all such laws unless such waiver shall be forbidden by law. Under no circumstances shall there be any marshaling of assets upon any foreclosure or to other enforcement of this Mortgage.

Section 4.07. Notice of Default:

The Mortgagor covenants that it will give immediate written notice to each Mortgagee of the occurrence of any Event of Default or in the event that any right or remedy described in Sections 4.02 and 4.03 hereof is exercised or enforced or any action is taken to exercise or enforce any such right or remedy.

ARTICLE V

POSSESSION UNTIL DEFAULT-DEFEASANCE CLAUSE

Section 5.01. Possession Until Default:

Until some one or more of the Events of Default shall have happened, the Mortgagor shall be suffered and permitted to retain actual possession of the Mortgaged Property, and to manage, operate and use the same and any part thereof, with the rights and franchises appertaining thereto, and to collect, receive, take, use and enjoy the rents, revenues, issues, earnings, income, proceeds, products and profits thereof or therefrom, subject to the provisions of this Mortgage.

Section 5.02. Defeasance:

If the Mortgagor shall pay or cause to be paid the whole amount of the principal of (and premium, if any) and interest on the Notes at the times and in the manner therein provided, and shall also pay or cause to be paid all other sums payable by the Mortgagor hereunder or under any Loan Agreement and shall keep and perform, all covenants herein required to be kept and performed by it, then and in that case, all property, rights and interest hereby conveyed or assigned or pledged shall revert to the Mortgagor and the estate, right, title and interest of the Mortgagee so paid shall thereupon cease, determine and become void and such Mortgagee, in such case, on written demand of the Mortgagor but at the Mortgagor's cost and expense, shall enter satisfaction of the Mortgage upon the record. In any event, each Mortgagee, upon payment in full to such Mortgagee by the Mortgagor of all principal of (and premium, if any) and interest on any Note held by such Mortgagee and the payment and discharge by the Mortgagor of all charges due to such Mortgagee hereunder or under any Loan Agreement, shall execute and deliver to the Mortgagor such instrument of satisfaction, discharge or release as shall be required by law in the circumstances.

Section 5.03. Special Defeasance:

Other than any Notes excluded by the foregoing Sections 5.01 and 5.02 and Notes which have become due and payable, the Mortgagor may cause the Lien of this Mortgage to be defeased with respect to any Note for which it has deposited or caused to be deposited in trust solely for the purpose an amount sufficient to pay and discharge the entire indebtedness on such Note for principal (and premium, if any) and interest to the date of maturity thereof; PROVIDED, HOWEVER, that depository serving as trustee for such trust must first be accepted as such by the Mortgagee whose Notes are being defeased under this section. In such event, such a Note will no longer be considered to be an Outstanding Note for purposes of this Mortgage and the Mortgagee

shall execute and deliver to the Mortgagor such instrument of satisfaction, discharge or release as shall be required by law in the circumstances.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Property Deemed Real Property:

It is hereby declared to be the intention of the Mortgagor that any electric generating plant or plants and facilities and all electric transmission and distribution lines, or other Electric System or Utility System facilities, embraced in the Mortgaged Property, including (without limitation) all rights of way and easements granted or given to the Mortgagor or obtained by it to use real property in connection with the construction, operation or maintenance of such plant, lines, facilities or systems, and all other property physically attached to any of the foregoing, shall be deemed to be real property.

Section 6.02. Mortgage to Bind and Benefit Successors and Assigns:

All of the covenants, stipulations, promises, undertakings and agreements herein contained by or on behalf of the Mortgagor shall bind its successors and assigns, whether so specified or not, and all titles, rights and remedies hereby granted to or conferred upon the Mortgagees shall pass to and inure to the benefit of the successors and assigns of the Mortgagees and shall be deemed to be granted or conferred for the ratable benefit and security of all who shall from time to time be a Mortgagee. The Mortgagor hereby agrees to execute such consents, acknowledgments and other instruments as may be reasonably requested by any Mortgagee in connection with the assignment, transfer, mortgage, hypothecation or pledge of the rights or interests of such Mortgagee hereunder or under the Notes or in and to any of the Mortgaged Property.

Section 6.03. Headings:

The descriptive headings of the various articles and sections of this Mortgage and also the table of contents were formulated and inserted for convenience only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

Section 6.04. Severability Clause:

In case any provision of this Mortgage or in the Notes or in the Loan Agreements shall be invalid or unenforceable, the validity, legality and enforceability of the remaining provisions thereof shall not in any way be affected or impaired, nor, nor shall any invalidity or unenforceability as to any Mortgagee hereunder affect or impair the rights hereunder of any other Mortgagee.

Section 6.05. Mortgage Deemed Security Agreement:

To the extent that any of the property described or referred to in this Mortgage is governed by the provisions of the UCC this Mortgage is hereby deemed a "security agreement" under the UCC, and, if so elected by any Mortgagee, a "financing statement" under the UCC for said security agreement. The mailing addresses of the Mortgagor as debtor, and the Mortgagees as secured parties are as set forth in Schedule "A" hereof. If any Mortgagee so directs the Mortgagor to do so, the Mortgagor shall file as a financing statement under the UCC for said security agreement and for the benefit of all of the Mortgagees, an instrument other than this Mortgage. In such case, the instrument to be filed shall be in a form customarily accepted by the filing office as a financing

statement. PROCEEDS OF COLLATERAL ARE COVERED HEREBY. The Mortgagor is an organization of the type and organized in the jurisdiction set forth on the first page hereof. The cover page hereof accurately sets forth the Mortgagor's organizational identification number or accurately states that the Mortgagor has none.

Section 6.06. Indemnification by Mortgagor of Mortgagees:

The Mortgagor agrees to indemnify and save harmless each Mortgagee against any liability or damages which any of them may incur or sustain in the exercise and performance of their rightful powers and duties hereunder. For such reimbursement and indemnity, each Mortgagee shall be secured under this Mortgage in the same manner as the Notes and all such reimbursements for expense or damage shall be paid to the Mortgagee incurring or suffering the same with interest at the rate specified in Section 3.14 hereof. The Mortgagor's obligation to indemnify the Mortgagees under this section and under Section 3.04 shall survive the satisfaction of the Notes, the reconveyance or foreclosure of this Mortgage, the acceptance of a deed in lieu of foreclosure, or any transfer or abandonment of the Mortgaged Property.

IN WITNESS WHEREOF, EAST-CENTRAL IOWA RURAL ELECTRIC COOPERATIVE, as Mortgagor, has caused this Restated Mortgage and Security Agreement to be signed in its name and its corporate seal to be hereunto affixed and attested by its officers thereunto duly authorized, UNITED STATES OF AMERICA, as Mortgagee and NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION, as Mortgagee, have each caused this Restated Mortgage and Security Agreement to be signed in their respective names by duly authorized persons, all as of this day and year first above written.

EAST-CENTRAL IOWA RURAL ELECTRIC COOPERATIVE

William F. Frazier

by William F. Frazier , President

EAST-CENTRAL IOWA RURAL ELECTRIC COOPERATIVE IOWA CORPORATE SEAL

(Seal)

John E. Frese

Attest:
John E. Frese, Secretary

Executed by the Mortgagor
in the presence of:

Harry V. Ruth

Teresa Floyd

Witnesses

UNITED STATES OF AMERICA

by

Director - Northern
Regional Division
of the
Rural Utilities Service

Executed by United States of America,
Mortgagee, in the presence of:

Sara Wetklow

Douglas P. Jenkins

Witnesses

NATIONAL RURAL UTILITIES COOPERATIVE
FINANCE CORPORATION

by

Assistant Secretary-Treasurer

Bryan Russell

(SEAL)

Attest:

MARIANNE L. RUSOLD

Assistant Secretary-Treasurer

Executed by the above-named, Mortgagee, in the
presence of:

ELIZABETH C. MIKSCHE

Witnesses

STATE OF IOWA)
) SS
COUNTY OF BENTON)

On this 25th day of August, 2004, before me a Notary Public in and for said County, personally appeared William F. Frazier and John E. Frese to me personally known, who, being by me duly sworn, did say that they are the President and Secretary, respectively, of EAST-CENTRAL IOWA RURAL ELECTRIC COOPERATIVE, a corporation, and the seal affixed to the foregoing instrument is the seal of said corporation, and that said instrument was signed and sealed on behalf of the said corporation by authority of its Board of Directors, and they acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

NOTARIAL SEAL IOWA
THOMAS R. PENCE
COMMISSION NO. 107195
MY COMMISSION EXPIRES
9/15/2006

Thomas R. Pence
Notary Public

(Notarial Seal)

My commission expires: 9/15/2006

DISTRICT OF COLUMBIA) SS

On this 28 day of July, 2004, personally appeared before me Blaine D. Stockton, who, being duly sworn, did say that she is the Director - Northern Regional Division of the Rural Utilities Service, an agency of the United States of America, and acknowledged to me that, acting under a delegation of authority duly given and evidenced by law and presently in effect, she executed said instrument as the act and deed of the United States of America for the uses and purposes therein mentioned.

IN TESTIMONY WHEREOF I have heretofore set my hand and official seal the day and year last above written.

Notary Public

(Notarial Seal)

William A. Frost
Notary Public, District of Columbia
My Commission Expires 04/14/2006

My commission expires: _____.

COMMONWEALTH OF VIRGINIA)
) SS
COUNTY OF FAIRFAX)

On this 5th day of August, 20 04, before me appeared Bryan Russell, to me personally known, who, being by me duly sworn, did say that he is the ASSISTANT SECRETARY-TREASURER of the National Rural Utilities Cooperative Finance Corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors and said ASSISTANT SECRETARY-TREASURER acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

Trisa Neal

TRISA NEAL COMMONWEALTH OF VIRGINIA NOTARY PUBLIC

(Notarial Seal)

My commission expires: 3/31/07

SCHEDULE A: Part One

1. The Maximum Debt Limit referred to in Section 1.01 is $50,000,000.00

2. The state referred to in Section 1.04 is Iowa.

3. The addresses of the parties referred to in Sections 1.05 and 6.05 are as follows:

As to the Mortgagor:

East-Central Iowa Rural Electric Cooperative
2400 Bing Miller Lane
Urbana, Iowa 52345

As to the Mortgagees:

Rural Utilities Service
United States Department of Agriculture
Washington, DC 20250-1500

National Rural Utilities
Cooperative Finance Corporation
2201 Cooperative Way
Herndon, Virginia 20171-3025

4. The Original Mortgage as referred to in the first WHEREAS clause above is more particularly described as follows:

Instrument Title	Instrument Date
Restated Mortgage and Security Agreement	March 1, 2000

5. The outstanding secured obligations of the Mortgagor referred to in the fourth WHEREAS clause above are evidenced by the Original Notes described below:

ORIGINAL NOTES issued to the Government[1]

Loan Designation	Face Amount	Date	Final Maturity	% Rate[2]
U2	$243,000.00	4 Feb 1972	4 Feb 2007	2.00
P2	$192,000.00	8 Jun 1972	8 Jun 2007	2.00
V2	$315,000.00	1 Nov 1972	1 Nov 2007	2.00
W6	$484,000.00	24 Sep 1987	24 Sep 2022	5.00
AA6	$1,610,000.00	22 Jun 1988	22 Jun 2027	5.00
X6	$1,484,000.00	23 Apr 1993	23 Apr 2028	5.00
AB61	$1,282,000.00	9 Mar 1995	9 Mar 2030	5.00
A41	$5,387,000.00	1 Mar 2000	1 Mar 2035	V
B61	$4,176,000.00	2 Aug 2004	2 Aug 2039	V

[1]"Government" as used in this listing refers to the United States of America acting through the Administrator of the Rural Utilities Service (RUS) or its predecessor agency, the Rural Electrification Administration (REA). Any Notes which are payable to a third party and which either RUS or REA has guaranteed as to payment are also described in this listing as being issued to the Government. Such guaranteed Notes are typically issued to the Federal Financing Bank (FFB), an instrumentality of the United States Department of Treasury, and held by RUS, but may also be issued to non-governmental entities.

[2]V=variable interest rate calculated by RUS pursuant to title 7 of the Code of Federal Regulations or by the Secretary of Treasury. CFC=an interest rate which may be fixed or variable from time to time as provided in the CFC Loan Agreement pertaining to a loan which has been made by CFC and guaranteed by RUS. CoBank=an interest rate which may be fixed or variable from time to time as provided in the CoBank Loan Agreement pertaining to a loan which has been made by CoBank and guaranteed by RUS.

SCHEDULE A: Part Two

The outstanding secured obligations of the Mortgagor referred to in the fourth WHEREAS clause above are evidenced by the Original Notes described below:

ORIGINAL NOTES issued to CFC

CFC Loan Designation	Face Amount of Note	Note Date	Maturity Date
IA095-C-9001	$48,000.00	07/31/1996	09/08/2007
IA095-C-9002	$109,000.00	07/31/1996	06/20/2009
IA095-C-9003	$74,000.00	07/31/1996	09/25/2010
IA095-C-9004	$280,000.00	07/31/1996	11/17/2012
IA095-C-9005	$634,000.00	07/31/1996	03/22/2015
IA095-C-9006	$213,402.00	07/31/1996	09/24/2022
IA095-C-9007	$655,670.00	07/31/1996	04/23/2028
IA095-C-9008	$61,000.00	07/31/1996	05/04/2007
IA095-C-9009	$135,000.00	07/31/1996	02/01/2008
IA095-C-9010	$69,000.00	07/31/1996	10/29/2010
IA095-C-9011	$181,000.00	07/31/1996	09/07/2011
IA095-C-9012	$658,000.00	07/31/1996	03/21/2014
IA095-C-9013	$904,000.00	07/31/1996	12/24/2017
IA095-C-9014	$726,316.00	07/31/1996	06/22/2023
IA095-C-9015	$550,000.00	07/31/1996	03/09/2030
IA095-A-9016	$3,982,579.16	06/24/2003	06/24/2018
IA095-C-9017	$1,789,000.00	As of even date herewith	Thirty-five (35) years from the date hereof

SCHEDULE B

Property Schedule

The fee and leasehold interests in real property referred to in Subclause A of Granting Clause First are described on the attached pages designated 1 through 3 of this Schedule B.

The recording jurisdictions referred to in Subclause B of Granting Clause First are: the Counties of Benton, Black Hawk, Bremer, Buchanan, Clayton, Delaware, Fayette, Iowa, Johnson, Linn and Tama in the State of Iowa.

The contracts referred to in Subclause C of Granting Clause First include without limitation the Wholesale Power Contract, dated as of January 1, 1992, between the Mortgagor and Central Iowa Power Cooperative.

1. New Headquarters Site:
Legal Description:

Lot 1 and a part of Lot 2 of the BECCA Industrial Park First Addition to the City of Urbana, Benton County, Iowa, an Official Plat, now included in and forming a part of the City of Urbana, Iowa, together with all easements and appurtenances of record. The portion of Lot 2 being conveyed is identified as Parcel G and is more particularly described on Amended Plat of Survey filed June 26, 1998 in Survey Book 10 at Page 148 as follows:

Beginning at the NE corner of said Lot 2; thence S00°00'00"E along the east line of said Lot 2, 161.87 feet; thence S 88°59'00"W 200 feet; thence N71°46'06"W, 306.62 feet to the west line of said Lot 2; thence NE-ly along said west line of an arc of 179.65 feet of a 524.90-foot radius curve to the right, having a chord distance of 178.77 feet bearing N 37°09'49"E to the NW corner of said Lot 2; thence S79°12'58"E, 390.12 feet to the point of beginning containing 1.88 acres.

(Total acreage of Lot 1 and Parcel G is 3.12 acres).

2. Becca Substation Site:
Legal Description:

A part of Parcel B in the NE¼ NW¼ of Section 33-T86N-R9W of the 5th P.M., City of Urbana, Benton County, Iowa described as follows:

Commencing as a point of reference at the N ¼ corner of said Section 33; thence S00°00'00"E along the east line of the NW ¼ of said Section 33, 66.24 feet to the south right-of-way line of 55th Street; thence S89°11'14"W along said south right-of-way line, 55.58 feet to the north right-of-way line of Bing Miller Lane and the point of beginning; thence SW-ly along said north right-of-way line on an arc of 80.91 feet of a 77.00-foot radius curve to the right having a chord distance of 77.24 feet bearing S51°31'49"W; thence SW-ly along said north right-of-way line on an arc of 364.70 feet of a 624.90-foot radius curve to the left having a chord distance of 359.55 feet bearing S64°54'46"W; thence S89°11'14"W, 138.28 feet; thence N00°48'46"W, 195.00 feet to the south right-of-way line of 55th Street; thence N89°11'14"E along said south right-of-way line, 527.19 feet to the point of beginning containing 1.43 acres.

3. Operation Center Site: Section 17, Twp. 85N., Range 10W., of the 5th P.M.
Date of Warranty Deed: July 27, 1973
Grantor: Vathpeda, Inc.
Grantee: Benton County Electric Cooperative Association
Recorded: Benton County Recorder, Book 162 at Page 200

4. Karr Sub Site: Sec. 8, Twp. 85 N., Range 10W., of the 5th P.M.
Date of Warranty Deed: October 31, 1978
Grantor: Charles Karr and Audrey Karr
Grantee: Benton County Electric Cooperative Association
Recorded: Benton County Recorder, Book 183 at Page 342

5. Lindahl Sub Site: Sec. 30 & 31, Twp. 85N., Range 9W., of the 5th P.M.
Date of Warranty Deed: Oct. 31, 1978
Grantor: Alvin H. Lindahl and Nola Lindahl
Grantee: Benton County Electric Cooperation Association
Recorded: Benton County Recorder, Book 183 at Page 344

6. Headquarters Site: Sec. 3, Twp. 88 N., Range 9 W., of 5th P.M.
Date of Warranty Deed: February 28, 1950
Grantor: Kathryn Clark and Edwin Dukes
Grantee: Buchanan County Rural Electric Cooperative
Recorded: Buchanan County Recorder, Book 276 at Page 529

7. Aurora Sub Site: Sec. 8, Twp. 90 N., Range 7 W., of 5th P.M.
Date of Warranty Deed: June 13, 1950
Grantor: Leo D. and Marjorie Kerns, husband and wife
Grantee: Buchanan County Rural Electric Cooperative
Recorded: Buchanan County Recorder, Book 276 at Page 574

8. Shady Grove Sub Site: Sec. 3, Twp. 87 N., Range 8 W., of 5th P.M.
Date of Warranty Deed: July 18, 1948
Grantor: Henry Anderson
Grantee: Buchanan County Rural Electric Cooperative
Recorded: Buchanan County Recorder, Book 276 at Page 348

9. Quasqueton Sub Site: Sec. 22, Twp. 88 N., Range 8 W., of 5th P.M.
Date of Warranty Deed: December 19, 1949
Grantor: W. Dudley and Neva E. Holmes, husband and wife
Grantee: Buchanan County Rural Electric Cooperative
Recorded: Buchanan County Recorder, Book 276 at Page 517

10. Fairbank Sub Site: Sec. 17, Twp. 90 N., Range 10 W., of 5th P.M.
Date of Warranty Deed: January 19, 1956
Grantor: Andrew R. and Florence Elliott, husband and wife
Grantee: Buchanan County Rural Electric Cooperative
Recorded: Buchanan County Recorder, Book 288 at Page 572

11. Arlington Sub Site: Sec. 28, Twp. 92 N., Range 7 W., 5th P.M.
Date of Warranty Deed: May 31, 1960
Grantor: Lucille M. and Gen Nus, wife and husband
Grantee: Buchanan County Rural Electric cooperative
Recorded: Fayette County Recorder, Book 129 at Page 215

12. Rowley Sub Site: Sec. 10, Twp. 87 N., Range 9 W., of 5th P.M.
Date of Warranty Deed: December 12, 1967
Grantor: Warren D. and Katherine E. Pratt, husband and wife
Grantee: Buchanan County Rural Electric Cooperative
Recorded: Buchanan County Recorder, Book 347 at Page 309

13. Bryantsburg Sub Site: Sec. 3, Twp. 89 N., Range 9 W., of 5th P.M.
Date of Warranty Deed: May 21, 1968
Grantor: Joseph B. and Irene Shaser, husband and wife
Grantee: Buchanan County Rural Electric Cooperative
Recorded: Buchanan County Recorder, Book 362 at Page 559

14. Winthrop Sub Site: Sec. 21, Twp. 89 N., Range 7 W., of 5th P.M.
Date of Warranty Deed: May 27, 1968
Grantor: Dale W. and Frances Trott, husband and wife
Grantee: Buchanan County Rural Electric Cooperative
Recorded: Buchanan County Recorder, Book 354, Page 183

15. Jefferson Sub Site: Sec. 11, Twp. 91 N., Range 9 W., of 5th P.M.
Date of Warranty Deed: November 30, 1960
Grantor: Agnes Kunkle
Grantee: Buchanan County Rural Electric Cooperative
Recorded: Fayette County Recorder, Book 129 at Page 370

16. Walker Sub Site: Sec. 32, Twp. 87 N., Range 8 W., of 5th P.M.
Date of Warranty Deed: August 23, 1973
Grantor: Leonard and Isabelle Michael, husband and wife
Grantee: Buchanan County Rural Electric Cooperative
Recorded: Buchanan County Recorder, Book 377 at Page 113

17. Maryville Sub Site: Sec. 17, Twp. 91 N., Range 7 W., of the 5th P.M.
Date of Warranty Deed: June 24, 1977
Grantor: Crystal A. Kreizenbeck
Grantee: Buchanan County Rural Electric Cooperative
Recorded: Fayette County Recorder, Book 148 at Page 204

18. Aurora Sub Site: Sec. 9, Twp. 90 N., Range 7 W., of the 5th P.M.
Date of Warranty Deed: May 29, 1979
Grantor: L.D. and Leah Alberta Griffin
Grantee: Buchanan County Rural Electric Cooperative
Recorded: Buchanan County Recorder, Book 422 at Page 453

19. Spring Creek Sub Site: Sec. 16, Twp. 87 N., Range 11 W., of the 5th P.M.
Date of Warranty Deed: September 5, 1980
Grantor: Eva L. Powers
Grantee: Buchanan County Rural Electric Cooperative
Recorded: Black Hawk County Recorder, Book 540 at Page 784

20. Jesup Substation Site: Sec. 24, Twp. 89 N., Range 10 W., of 5th P.M.
Date of Warranty Deed: July 5, 1984
Grantor: Emma V. Kidd
Grantee: Buchanan County Rural Electric Cooperative
Recorded: Buchanan County Recorder, Book 461 at Page 589

21. Sumner Substation Site: Sec. 10, Twp. 88 N., Range 9 W., of 5th P.M.
Date of Warranty Deed: August 4, 1995
Grantor: Edgar L. Larson and Janet L. Larson
Grantee: Buchanan County Rural Electric Cooperative
Recorded: Buchanan County File No. 1995 R02002

SCHEDULE C
Excepted Property

None.

Exhibit A

Manager's Certificate

MANAGER'S CERTIFICATE REQUIRED UNDER MORTGAGE SECTION 2.01 FOR ADDITIONAL NOTES

On behalf of *Name of Borrower* (the "Borrower"),

I _____ hereby certify as follows:

1. I am the Manager of the Borrower and have been duly authorized to deliver this certificate in connection with the Additional Note or Notes to be issued on or about *Date Note(s) are to be Signed* pursuant to Section 2.01 of the Mortgage dated _____.

2. No Event of Default has occurred and is continuing under the Mortgage, or any event which with the giving of notice or lapse of time or both would become an Event of Default has occurred and is continuing.

3. The Additional Notes described in paragraph 1 are for the purpose of funding Property Additions being constructed, acquired, procured or replaced that are or will become part of the Borrower's Utility System.

4. The Property Additions referred to in paragraph 3 are Eligible Property Additions, i.e. Property Additions acquired or whose construction was completed not more than 5 years prior to the issuance of additional Notes and Property Additions acquired or whose construction is started and/or completed not more than 4 years after issuance of the additional Notes, but shall exclude any Property Additions financed by any other debt secured under the Mortgage at the time additional Notes are issued

5. I have reviewed the certificate of the Independent certified public accountant also being delivered to each of the Mortgagees pursuant to Section 2.01 in connection with the aforesaid Additional Note or Notes and concur with the conclusions expressed therein.

6. Capitalized terms that are used in this certificate but are not defined herein have the meanings defined in the Mortgage.

SAMPLE - NOT FOR EXECUTION _____
Signed Date

_____
Name

_____
Title

Name and Address of Borrower:

_____

_____

_____

Exhibit B

Form of Supplemental Mortgage

Supplemental Mortgage and Security Agreement, dated as of _____, (hereinafter sometimes called this "Supplemental Mortgage") is made by and among _____ (hereinafter called the "Mortgagor"), a corporation existing under the laws of the State of _____, and the UNITED STATES OF AMERICA acting by and through the Administrator of the Rural Utilities Service (hereinafter called the "Government"), _____ (Supplemental Lender) (hereinafter called _ _____), a _____ existing under the laws of _____, and intended to confer rights and benefits on both the Government and _____ and _____ in accordance with this Supplemental Mortgage and the Original Mortgage (hereinafter defined) (the Government and the Supplemental Lenders being hereinafter sometimes collectively referred to as the "Mortgagees").

Recitals

Whereas, the Mortgagor, the Government and _____ are parties to that certain Restated Mortgage and Security Agreement (the "Original Mortgage" as identified in Schedule "A" of this Supplemental Mortgage) originally entered into between the Mortgagor, the Government acting by and through the Administrator of the Rural Utilities Service (hereinafter called "RUS"), and _____; and

Whereas, the Original Mortgage as the same may have been previously supplemented, amended or restated is hereinafter referred to as the "Existing Mortgage"; and

Whereas, the Mortgagor deems it necessary to borrow money for its corporate purposes and to issue its promissory notes and other debt obligations therefor, and to mortgage and pledge its property hereinafter described or mentioned to secure the payment of the same, and to enter into this Supplemental Mortgage pursuant to which all secured debt of the Mortgagor hereunder shall be secured on parity, and to add _____ as a Mortgagee and secured party hereunder and under the Existing Mortgage (the Supplemental Mortgage and the Existing Mortgage, hereinafter sometimes collectively referred to the "Mortgage"); and

Whereas, all of the Mortgagor's Outstanding Notes listed in Schedule "A" hereto is secured pari passu by the Existing Mortgage for the benefit of all of the Mortgagees under the Existing Mortgage; and

Whereas, the Existing Mortgage provides the terms by which additional pari passu obligations may be issued thereunder and further provides that the Existing Mortgage may be supplemented from time to time to evidence that such obligations are entitled to the security of the Existing Mortgage and to add additional Mortgagees; and

Whereas, by their execution and delivery of this Supplemental Mortgage the parties hereto do hereby secure the Additional Notes listed in Schedule "A" pari passu with the Outstanding Notes under the Existing Mortgage {and do hereby add _____ as a Mortgagee and a secured party under the Existing Mortgage}; and

Whereas, all acts necessary to make this Supplemental Mortgage a valid and binding legal instrument for the security of such notes and related obligations under the terms of the Mortgage, have been in all respects duly authorized:

Now, Therefore, This Supplemental Mortgage Witnesseth: That to secure the payment of the principal of (and premium, if any) and interest on all Notes issued hereunder according to their tenor and effect, and

the performance of all provisions therein and herein contained, and in consideration of the covenants herein contained and the purchase or guarantee of Notes by the guarantors or holders thereof, the Mortgagor has mortgaged, pledged and granted a continuing security interest in, and by these presents does hereby grant, bargain, sell, alienate, remise, release, convey, assign, transfer, hypothecate, pledge, set over and confirm, pledge and grant a continuing security interest in for the purposes hereinafter expressed, unto the Mortgagees all property, rights, privileges and franchises of the Mortgagor of every kind and description, real, personal or mixed, tangible and intangible, of the kind or nature specifically mentioned herein or any other kind or nature, except any Excepted Property set forth on Schedule "C" hereof owned or hereafter acquired by the Mortgagor (by purchase, consolidation, merger, donation, construction, erection or in any other way) wherever located, including (without limitation) all and singular the following:

A. all of those fee and leasehold interests in real property set forth in Schedule "B" hereto, subject in each case to those matters set forth in such Schedule; and

B. all of those fee and leasehold interests in real property set forth in Schedule "B" of the Existing Mortgage or in any restatement, amendment or supplement thereto, subject in each case to those matters set forth in such Schedule; and

C. all of the kinds, types or items of property, now owned or hereafter acquired, described as Mortgaged Property in the Existing Mortgage or in any restatement, amendment to supplement thereto as Mortgaged Property.

It is Further Agreed and Covenanted That the Original Mortgage, as previously restated, amended or supplemented, and this Supplement shall constitute one agreement and the parties hereto shall be bound by all of the terms thereof and, without limiting the foregoing.

1. All capitalized terms not defined herein shall have the meaning given in Article I of the Existing Mortgage.

2. This Supplemental Mortgage is one of the Supplemental Mortgages contemplated by Article II of the Original Mortgage.

3. The Maximum Debt Limit for the Mortgage shall be as set forth in Schedule "A" hereto.

In Witness Whereof, _____ as Mortgagor

[ACKNOWLEDGMENTS]

SAMPLE - NOT FOR EXECUTION

Supplemental Mortgage Schedule A

Maximum Debt Limit and Other Information

1. The Maximum Debt Limit is $_____ .

2. The Original Mortgage as referred to in the first WHEREAS clause above is more particularly described as follows:_____ .

3. The Outstanding Notes referred to in the fourth WHEREAS clause above are more particularly described as follows:

4. The Additional Notes described in the sixth WHEREAS clause above are more particularly described as follows:

Supplemental Mortgage Schedule B

Property Schedule

The fee and leasehold interests in real property referred to in clause A of the Granting Clause are described on the attached pages designated through of this Schedule B.