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, MAQUOKETA VALLEY 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, NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION, as Mortgagee and COBANK, ACB, 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.

(Seal)

MAQUOKETA VALLEY RURAL ELECTRIC COOPERATIVE

by _____, President

Attest: _____
Secretary

Executed by the Mortgagor
in the presence of:

_____
_____
Witnesses

UNITED STATES OF AMERICA

by _____

for Director - Northern
Regional Division
of the
Rural Utilities Service

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

_____ Jamie Davenport

_____ Sara Wetklow

Witnesses

NATIONAL RURAL UTILITIES COOPERATIVE
FINANCE CORPORATION

by _____ Eileen Ioiel

Assistant Secretary-Treasurer

(SEAL)

Attest: _____ Robert D. Stephens

Assistant Secretary-Treasurer

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

_____ MARIANNE L DUSOLD

_____ ELIZABETH C. MIKSCHE

Witnesses

COBANK, ACB

by

Assistant Corporate Secretary

(SEAL)

Attest:
Assistant Corporate Secretary

Executed by CoBank, ACB, Mortgagee, in the presence of:

Witnesses

STATE OF IOWA)
) SS
COUNTY OF JONES)

On this 20th day of AUGUST, 2004, before me a Notary Public in and for said County, personally appeared BRUCE A. READE and ELDON R. BUSCH to me personally known, who, being by me duly sworn, did say that they are the President and Secretary, respectively, of MAQUOKETA VALLEY 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.

Notary Public

(Notarial Seal)

NOTARIAL SEAL IOWA

MICHAEL P. JOYNT
COMMISSION NO. 205546
MY COMMISSION EXPIRES
MAY 8, 200[illegible]

My commission expires:

DISTRICT OF COLUMBIA) SS

Acting

Assistant Administrator
Electric Program

On this 21 day of July, 2004, personally appeared before me GEORGE J. BAGNALL, who, being duly sworn, did say that ~~she~~ he 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, he 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.

William A. Frost
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 31st day of August, 2004, before me appeared _____, 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
COMMONWEALTH
OF
VIRGINIA
NOTARY PUBLIC

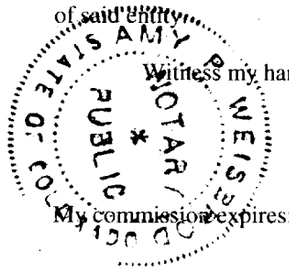
(Notarial Seal)

My commission expires: 3/31/07

STATE OF COLORADO)
) ss.
COUNTY OF ARAPAHOE)

This instrument was acknowledged before me on August 2, 2004, by Penny Probasco and Robert Pace, each an Assistant Corporate Secretary of CoBank, ACB, a federally chartered instrumentality of the United States, on behalf of said entity.

Witness my hand and official seal.



My commission expires:

My Commission Expires June 9, 2006

Notary Public - State of Colorado

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:

Maquoketa Valley Rural Electric Cooperative
109 North Huber Street
Anamosa, Iowa 52205-0370

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

CoBank, ACB
5500 South Quebec Street
Greenwood Village, Colorado 80111-1914

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	February 2, 1998
Supplemental Mortgage	April 3, 2000
Supplemental Mortgage	November 1, 2002

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]
AA2	$522,000.00	21 Sep 1972	21 Sep 2007	2.00
AG6	$2,927,000.00	21 Apr 1993	21 Apr 2028	5.00
AH61	$696,000.00	2 Feb 1998	2 Feb 2033	V
AK8[3]	$1,506,000.00	1 Mar 1999	31 Dec 2033	V
AL8[4]	$4,254,000.00	3 Apr 2000	31 Dec 2034	V
AM8[5]	$4,641,000.00	1 Nov 2002	31 Dec 2036	V
AN71	$3,258,000.00	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.

[3]In addition to this note which the Mortgagor has issued to FFB, the Mortgagor has also issued a corresponding promissory note to RUS designated as the certain "Reimbursement Note" bearing even date therewith. Such Reimbursement Note is payable to the Government on demand and evidences the Mortgagor's obligation immediately to repay RUS, any payment which RUS may make pursuant to the RUS guarantee of such FFB note, together with interest, expenses and penalties (all as described in such Reimbursement Note). Such Reimbursement Note is an "ORIGINAL NOTE issued to the Government" for purposes of this Part One of Schedule A and this Mortgage and is entitled to all of the benefits and security of this Mortgage.

[4]See footnote 3 in this Schedule A.

[5]See footnote 3 in this Schedule A.

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
IA034-C-9001	$223,000.00	09/21/1972	12/21/2007
IA034-C-9002	$152,000.00	12/07/1973	12/07/2008
IA034-C-9004	$371,000.00	03/05/1975	03/05/2010
IA034-C-9006	$371,000.00	02/02/1977	02/02/2012
IA034-C-9009	$1,395,000.00	05/17/1978	05/17/2013
IA034-C-9014	$1,027,000.00	10/27/1982 (substituted 09/22/1983)	10/27/2017
IA034-C-9015	$1,280,612.00	04/21/1993	04/21/2028
IA034-C-9016	$298,000.00	02/02/1998	02/02/2033

SCHEDULE A: PART THREE

CoBank

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 CoBank, ACB

Payor: Maquoketa Valley Electric Cooperative

Note Designation	Face Amount	Date	Final Maturity	Interest Rate
RX0065T1	$776,168.64	7/31/2003	7/18/2008	V
RX0065T2	$3,103,768.05	7/31/2003	7/19/2013	V
RX0065T3	$3,672,727.93	7/31/2003	7/18/2008	V
RX0065T4	$1,396,000.00	8/20/04	8/2/2039	V

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 8 of this Schedule B.

The recording jurisdictions referred to in Subclause B of Granting Clause First are: the Counties of Buchanan, Cedar, Clayton, Clinton, Delaware, Dubuque, Jackson, Jones and Linn 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, as amended.

1. A certain tract of land described in a certain deed, dated June 7, 1946, by the City of Anamosa, Iowa, a municipal, as grantors, to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jones in the State of Iowa, in Deed Book AN, on page 217;

2. A certain tract of land described in a certain deed, dated March 31, 1952, by Fred A. Wilcox and Ada Wilcox, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jackson in the State of Iowa, in Deed Book 89, on page 397;

3. A certain tract of land described in a certain deed, dated May 1, 1939, by Agnes McElligott, unmarried, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Delaware in the State of Iowa, in Deed Book 67, on page 590; also

   A certain tract of land described in a certain deed, dated October 6, 1955, by Elmer E. Carlton and Phoebe A. Carlton, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Delaware in the State of Iowa, in Deed Book 78, on page 179;

4. A certain tract of land described in a certain deed, dated June 19, 1950, by Frank W. Childers and Rosella Childers, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Dubuque in the State of Iowa, in Deed Book L41, on page 58;

5. A certain tract of land described in a certain deed, dated January 10, 1947, by Frank W. Less and Monica A. Less, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Dubuque in the State of Iowa, in Deed Book L36, on page 343;

6. A certain tract of land described in a certain deed, dated August 26, 1949, by Charles J. Bready and Lois N. Bready, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Delaware in the State of Iowa, in Deed Book 75, on page 74;

7. A certain tract of land described in a certain deed, dated May 26, 1958, by Tressa Griswold, widow, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jones in the State of Iowa, in Deed Book 109, on page 393;

8. A certain tract of land described in a certain deed, dated April 19, 1949, by Clemens Welsh and Regina Welsch, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Dubuque in the State of Iowa, in Deed Book L39-64;

9. A certain tract of land desribed in a certain deed, dated July 20, 1950, by Henry Schroeder, single, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Dubuque in the State of Iowa, in Deed Book L41, on page 67; sold to CIPCO -- received 99 year lease of our portion of Liberty Substation 4/88

10. A certain tract of land described in a certain deed, dated November 6, 1953, by Melvin Schmidt and Leona Schmidt, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jackson in the State of Iowa, in Deed Book 89, on page 553;

11. A certain tract of land described in a certain deed, dated December 15, 1950, by Clarence B. Dewees and Cora A. Dewees, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jones in the State of Iowa, in Deed Book 108, on page 301;

12. A certain tract of land described in a certain deed, dated June 20, 1956, by John Peter Grieff and Mary Grieff, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Delaware in the State of Iowa, in Deed Book 78, on page 430;

13. A certain tract of land described in a certain deed, dated June 29, 1956, by Peter C. Regan and Mabel Regan, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Dubuque in the State of Iowa, in Deed Book L48, on page 160;

14. A certain tract of land described in a certain deed, dated February 26, 1958, by Frank E. Clark and Bertha M. Clark, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Delaware in the State of Iowa, in Deed Book 80, on page 266;

15. A certain tract of land described in a certain deed, dated November 1, 1960, by Aaron W. Hueneke and Phyllis Hueneke, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jackson in the State of Iowa, in Deed Book 97, on page 174;

16. A certain tract of land described in a certain deed, dated October 1, 1962, by Lawrence Bonert, a widower, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Delaware in the State of Iowa, in Deed Book 82, on page 537;

17. A certain tract of land described in a certain deed, dated November 12, 1963, by Henry L. Moenk, Jr. as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jones in the State of Iowa, in Deed Book 113, on page 632;

18. A certain tract of land described in a certain deed, dated February 28, 1968, by the Merchant's National Bank of Cedar Rapids and Geraldine Mound, Co-Trustees of the Charles E. Roberts Trust; Edna B. Roberts, Widow, and not remarried; Vernon M. Melchert and Therese Melchert, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Delaware in the State of Iowa, in Deed Book 87, on page 90;

19. A certain tract of land described in a certain deed, dated July 1, 1970, by John J. Melloy and Mary C. Melloy, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Dubuque in the State of Iowa, in Deed Book L64, on page 494;

20. A certain tract of land described in a certain deed, dated September 13, 1963, by Frank L. Wilson and Anna Wilson, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jackson in the State of Iowa, in Deed Book 100, on page 157;

21. A certain tract of land described in a certain deed, dated September 25, 1962 by Marcella Connolly, a widow and not remarried, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Dubuque in the State of Iowa, in Deed Book L55, on page 193;

22. A certain tract of land described in a certain deed, dated August 1, 1966, by Wilbur H. Ringen and Erma M. Ringen, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jackson in the State of Iowa, in Deed Book 104, on page 307; also

A certain tract of land described in a certain deed, dated August 1, 1966, by Emma Bethke, single, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jackson in the State of Iowa, in Deed Book 104, on page 308;

23. A certain tract of land described in a certain deed, dated November 28, 1960, by Frederick A. Schemmel and Emma Schemmel, husband and wife, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Dubuque in the State of Iowa, in Deed Book L53, on pages 483 & 484;

24. A certain tract of land described in a certain deed, dated November 25, 1966, by Richard A. Eiselstein and Ethel Eiselstein, husband and wife, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jones in the State of Iowa, in Deed Book 115, on page 17;

25. A certain tract of land described in a certain deed, dated October 8, 1969, by Charles F. Schemmel and I. Esther Schemmel, husband and wife, of Dubuque County, Iowa, and Mrs. LaVon Pasker, a widow, and not remarried, of Jones County, Iowa, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Dubuque in the State of Iowa, in Deed Book L63, on page 514;

26. A certain tract of land described in a certain deed, dated June 4, 1948, by Mariett Childs and R.E. Childs, wife and husband; Alice Taplin White, a single person; Ada Brown, a single person; Olive Frentress and W.T. Frentress, wife and husband; Edna Wendel, a single person; Ethel Kellogg and Ray Kellogg, wife and husband; as grantor to the Mortgagor, as grantee, and recorded in the Office of the County Recorder of the County of Delaware in the State of Iowa, in Deed Book 18, on page 360;

27. A certain tract of land described in a certain deed, dated September 25, 1962, by Robert L. Lincoln and Patricia R. Lincoln, husband and wife, and James Kraus, Jr. and Evelyn LaDonna Kraus, husband and wife, as grantor to the Mortgagor as grantee, and recorded in the office of the County Recorder of the County of Jones in the State of Iowa, in Deed Book 113, on page 84;

28. A certain tract of land described in a certain deed, dated August 2, 1962, by Joseph C. Krogman and Magdalen J. Krogman, husband and wife, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Dubuque in the State of Iowa, in Deed Book L55, on page 136;

29. A certain tract of land described in a certain deed, dated June 25, 1962, by Chris Anglin and Ella Anglin, husband and wife, and Peter Dotterweich and Helen S. Dotterweich, husband and wife, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jackson in the State of Iowa, in Deed Book 99, on page 12;

30. A certain tract of land described in a certain deed, dated March 13, 1972, by Ardo Junk and Susan Junk, husband and wife, as grantors to the Mortgagor, as grantee and recorded in the office of the County Recorder of the County of Jackson in the State of Iowa in Deed Book 114, on page 16;

31. A certain tract of land described in a certain deed, dated October 10, 1972, by A.E. DeLarm and Laura M. DeLarm, husband and wife, as grantors to the Mortgagor, as grantee and recorded in the office of the County Recorder of the County of Jackson in the State of Iowa in Deed Book 115, on page 269;

32. A certain tract of land described in a certain deed, dated November 6, 1975 by Francis K. Funke and Mildred J. Funke, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Delaware, in the State of Iowa, in Deed Book 98, on page 106;

33. A certain tract of land described in a certain deed, dated October 11, 1976, by John Fitzsimons, single, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jones, in the State of Iowa, in Deed Book 120, on page 188;

34. A certain tract of land described in a certain deed, dated January 11, 1977, by Gerald A. Anstoetter and Mary E. Anstoetter, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Dubuque in the State of Iowa, as Instrument Number 2917-77, on March 30, 1977;

35. A certain tract of land described in a certain deed, dated February 18, 1977 by Jesserend D. Conrad and Laura M. Conrad, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jones in the State of Iowa, in Deed Book BD, on page 169;

36. A certain tract of land described in a certain deed, dated April 11, 1977 by Gerald J. Hart and Brenda L. Hart, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jones in the State of Iowa, in Deed Book BD, on page 170;

37. A certain tract of land described in a certain deed, dated August 17, 1977 by George J.I. Askam and Anna P. Askam, husband and wife, and by James A. Mettler and Patricia L. Mettler, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jones in the State of Iowa, in Deed Book BD, on page 437;

38. A certain tract of land described in a certain deed, dated May 10, 1978 by Aileen U. Miller, a widow, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jones in the State of Iowa, in Deed Book BD, on page 760;

39. A certain tract of land described in a certain Lease Agreement, dated May 18, 1978 between John Deere Dubuque Works of Deere and Company, as Lessor, to Maquoketa Valley Rural Electric Cooperative, the Lessee;

40. A certain tract of land described in a certain deed, dated June 22, 1978 by Walter L. Rafoth and Florence M. Rafoth, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Delaware in the State of Iowa, in Deed Book [redacted], on page 304;

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41. A certain tract of land described in a certain deed, dated December 29, 1978 by Mary M. Watters and George E. Watters, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Dubuque in the State of Iowa, as Instrument Number 160-79;

42. A certain tract of land described in a certain deed, dated October 16, 1979 by Elmer A. Greve and Rosemary E. Greve, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Dubuque in the State of Iowa, as Instrument Number 9223-79;

43. A certain tract of land described in a certain deed, dated October 27, 1980 by Arthur William Smith and Ruth Helen Smith, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Delaware in the State of Iowa, in Deed Book 108, page 225;

44. A certain tract of land described in a certain deed, dated October 24, 1980 by Paul F. McAllister and Myrtle M. McAllister, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jackson in the State of Iowa, in Deed Book 135, page 35;

45. A certain tract of land described in a certain deed, dated April 23, 1984 by Clifford McGuire, a single person, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jones in the State of Iowa, in Deed Book BH, page 190;

46. A certain tract of land described in a certain deed, dated September 18, 1985 by Douglas Implements, Inc., a place of business, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jones in the State of Iowa, in Deed Book 224, page 300;

47. A certain tract of land described in a certain deed, dated August 3, 1987 by Ruth M. Frericks, aka Ruth Gibbs Frericks, aka Ruth Mary Frericks and LeRoy Frericks, wife and husband, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Delaware in the State of Iowa, in Deed Book 121, page 69;

48. A certain tract of land described in a certain deed, dated October 17, 1990, and revised December 13, 1990 by the City of Anamosa, Iowa, a municipal, as grantors, to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jones in the State of Iowa, in Deed Book 299, page 200;

12-A. A certain tract of land described in a certain deed, dated April 21, 1992 by Edna Ruth Schuman, a single person and being the unremarried widow of John P. Schuman, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Delaware in the State of Iowa, in Deed Book 129, page 237;

49. A certain tract of land described in a certain deed, dated December 1, 1993 by Edward L. Edwards and Nancy I. Edwards, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Jones, in the State of Iowa, in Deed Book 350, page 76;

41-A A certain tract of land described in a certain deed, dated January 8, 1994 by Wal-Mart Stores, Incorporated, a corporate grantor, as grantor to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Dubuque in the State of Iowa as Instrument Number 2604-94;

8-A A certain tract of land described in a certain deed, dated September 16, 1994 by Henry L. Schuster and Bernice R. Schuster, husband and wife, as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Dubuque in the State of Iowa as Instrument Number 12606-94;

50. A certain tract of land described in a certain deed dated February 9, 1996 by James D. Daly and Catherine Daly, husband and wife as grantors to the Mortgagor, as grantee, and recorded in the office of the County Recorder of the County of Dubuque in the State of Iowa, as Instrument Number 1559-96;

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.