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REA PROJECT DESIGNATION:

IOWA 84-Z12 HAMILTON

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MARY E. WELTY
RECORDER
MADISON COUNTY, IOWA

Fee $335.00

CONSOLIDATED MORTGAGE

AND

SECURITY AGREEMENT

Made By And Among

CORN BELT POWER COOPERATIVE

Mortgagor

and

UNITED STATES OF AMERICA,

and

NATIONAL RURAL UTILITIES
COOPERATIVE FINANCE CORPORATION

Mortgagees

Dated as of August 28, 1984

THIS INSTRUMENT GRANTS A SECURITY INTEREST IN A TRANSMITTING UTILITY.
THIS INSTRUMENT CONTAINS AN AFTER-ACQUIRED PROPERTY CLAUSE
THE ADDRESSES OF THE PARTIES TO THIS INSTRUMENT ARE STATED ON PAGE 37

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CONSOLIDATED MORTGAGE AND SECURITY AGREEMENT, dated as of August 28, 1984, made by and among CORN BELT POWER COOPERATIVE (hereinafter called the "Mortgagor"), a corporation existing under the laws of the State of IOWA, UNITED STATES OF AMERICA (hereinafter called the "Government") acting through the Administrator of the Rural Electrification Administration (hereinafter called "REA"), and NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION (hereinafter called "CFC"), a corporation existing under the laws of the District of Columbia (the Government and CFC being hereinafter sometimes collectively called the "Mortgagees").

WHEREAS, the Mortgagor, for value received, has heretofore duly authorized and executed, and has delivered to the Government, the Outstanding REA Notes (as hereinafter defined); and

WHEREAS, the Mortgagor, for value received, has heretofore duly authorized and executed, and has delivered to CFC, the Outstanding CFC Class A Notes (as hereinafter defined); and

WHEREAS, the Outstanding REA Notes, and the Outstanding CFC Class A Notes are secured by the REA Mortgage (as hereinafter defined); and

WHEREAS, the Mortgagor has heretofore duly authorized and executed, and delivered to the Government, or is about to duly authorize and execute, and deliver to the Government, the Current REA Notes (as hereinafter defined); and

WHEREAS, the Mortgagor has heretofore duly authorized and executed, and delivered to CFC, or is about to duly authorize and execute, and deliver to CFC, the Current CFC Class B Notes (as hereinafter defined); and

WHEREAS, the Mortgagor, the Government and CFC desire to amend, supplement and consolidate the REA Mortgage in order, among other things, to secure the Current REA Notes and the Current CFC Class B Notes under the REA Mortgage equally and ratably with the Outstanding REA Notes and the Outstanding CFC Class A Notes; and

WHEREAS, the Government and CFC are authorized to enter into this Consolidated Mortgage and Security Agreement; and

WHEREAS, all acts, things and conditions prescribed by law and by the articles of incorporation of the Mortgagor have been duly performed and complied with to authorize the execution and delivery hereof and to make this Consolidated Mortgage and Security Agreement a valid and binding mortgage in accordance with its terms; and to the extent that any of the property described or referred to herein is governed by the provisions of the Uniform Commercial Code of any state, the parties hereto desire that this Consolidated Mortgage and Security Agreement be regarded as a "security agreement" and as a "financing statement" for said security agreement under the Uniform Commercial Code.

NOW, THEREFORE, this Consolidated Mortgage and Security Agreement

W I T N E S S E T H:

That the parties hereto do agree as follows:

ARTICLE I

DEFINITIONS

In addition to the terms elsewhere defined in this Consolidated Mortgage and Security Agreement, the terms defined in this Article I shall have the meanings herein specified, unless the context clearly requires otherwise. The terms defined herein include the plural as well as the singular and the singular as well as the plural.

Account Number of the Uniform System of Accounts shall mean such Account Number included in the Uniform System of Accounts as in effect on the date hereof, or to any other Account Number which may be thereafter prescribed with respect to the information contemplated by the Account Number herein specified; or, if no such Account Number shall be applicable after such date to the accounts of the Mortgagor for such information, such reference shall apply to the corresponding information otherwise determined in an appropriate manner.

Act shall mean the Rural Electrification Act of 1936, as amended (7 U.S.C. 901 et seq.).

Additional CFC Class A Notes shall mean additional notes and refunding, renewal, and substitute notes which may from time to time be executed and delivered by the Mortgagor to CFC with respect to which the Government shall have given prior written approval to be secured as CFC Class A Notes in accordance with Section 3.01 hereof.

Additional CFC Class B Notes shall mean additional notes and refunding, renewal, and substitute notes which may from time to time be executed and delivered by the Mortgagor to CFC with respect to which the Government shall have given prior written approval to be secured as CFC Class B Notes in accordance with Section 3.01 hereof.

Additional CFC Notes shall mean the Additional CFC Class A Notes and the Additional CFC Class B Notes.

Additional Notes shall mean Additional CFC Notes and Additional REA Notes.

Additional REA Notes shall mean all additional notes and refunding, renewal, and substitute notes which may from time to time be executed and delivered by the Mortgagor to the Government to evidence indebtedness created by loans made or guaranteed by the Government pursuant to the Act.

Administrator shall mean the Administrator of the REA or his duly authorized representative or any other person or authority in whom may be vested the duties and functions which the Administrator is now or may hereafter be authorized by law to perform.

CFC Class A Financing Agreements shall mean those certain financing agreements, agreements of sale, and/or leases more particularly described in Appendix A hereto, each heretofore executed by and between the Mortgagor and an issuer of bonds, together with any financing agreements, agreements of sale, and/or leases as may hereafter be executed by and between the Mortgagor and an issuer of bonds which have been approved by the Government in connection with the execution and delivery of one or more Additional CFC Class A Notes in accordance with Section 3.01 hereof, pursuant to which the respective issuers agree to issue bonds and the Mortgagor agrees to pay all amounts becoming due on account of the respective bonds.

CFC Class A Guaranty Agreements shall mean those certain guaranty agreements more particularly described in Appendix A hereto, each executed either by CFC in favor of a holder or holders of bonds, or by and between CFC and a trustee acting on behalf of the holders of bonds, as the case may be, together with any guaranty agreements as may hereafter be executed either by CFC in favor of a holder or holders of bonds, or by and between CFC and a trustee acting on behalf of the holders of bonds, as the case may be, which have been approved by the Government in connection with the execution and delivery of one of more Additional CFC Class A Notes in accordance with Section 3.01 hereof, pursuant to which CFC guarantees payment of certain amount becoming due with respect to the bonds.

CFC Class A Noteholders shall mean the holder or holders of any of the CFC Class A Notes.

CFC Class A Notes shall mean the Outstanding CFC Class A Notes and the Additional CFC Class A Notes.

CFC Class B Noteholders shall mean the holder or holders of any of the CFC Class B Notes.

CFC Class B Notes shall mean the Current CFC Class B Notes and the Additional CFC Class B Notes.

CFC-Coop Agreements shall mean those certain agreements more particularly described in Appendix A hereto, executed by and between the Mortgagor and CFC; the Current CFC-Coop Agreement; any amendments or supplements to any of the preceding agreements which have been approved by the Government; together with any agreements as may hereafter be executed by and between the Mortgagor and CFC which have been approved by the Government in connection with the execution and delivery of Additional CFC Notes in accordance with Section 3.01 hereof.

CFC Guaranty Agreements shall mean the CFC Class A Guaranty Agreements.

CFC Guaranty Note shall have the meaning specified in Section 7.04 hereof.

CFC Notes shall mean the CFC Class A Notes and the CFC Class B Notes.

Contemporaneous Loan shall mean a loan made pursuant to a loan agreement or agreements providing for a loan or loans secured by this Mortgage, the making of which by either the Government or CFC is conditioned upon the making of a loan, therein described, by the other lender.

Current CFC Class B Notes shall mean the note or notes more particularly described in Appendix A hereto, heretofore or about to be executed and delivered by the Mortgagor to CFC to evidence obligations of the Mortgagor under the Current CFC-Coop Agreement.

Current CFC-Coop Agreement shall mean the agreement more particularly described in Appendix A hereto, executed by and between the Mortgagor and CFC.

Current REA Loan Agreement shall mean the agreement more particularly described in Appendix A hereto, executed by and between the Mortgagor and the Government.

Current REA Notes shall mean the note or notes more particularly described in Appendix A hereto, heretofore or about to be executed and delivered by the Mortgagor to the Government to evidence indebtedness created by loans made or guaranteed by the Government pursuant to the Act and the REA Loan Agreement.

Depreciation and Amortization Expense shall mean an amount constituting the depreciation and amortization of the Mortgagor as computed for purposes of Line B.18 of REA Form 12a.

distributions shall have the meaning specified in Section 4.16 hereof.

Equities and Margins shall mean Equities and Margins as such terms are defined in the Uniform System of Accounts.

Equity shall mean the aggregate of Equities and Margins and Subordinated Indebtedness.

Events of Default shall have the meaning specified in Section 5.01 hereof.

Fiscal Date shall have the meaning specified in Section 4.12 hereof.

Interest Expense shall mean an amount constituting the interest expense of the Mortgagor as computed for purposes of Line B.20 of REA Form 12a.

Long-Term Debt shall mean any amount included in Total Long-Term Debt.

Long-Term Leases shall mean leases having unexpired terms (taking into account terms of renewal at the option of the lessor, whether or not such leases have theretofore been renewed) of more than 12 months.

Majority Noteholders shall mean the holder or holders of not less than a majority in principal amount of the Notes at the time unpaid and outstanding.

Maximum Debt Limit shall mean the amount more particularly described in Appendix A hereto.

Mortgaged Property shall have the meaning specified in Section 2.02 hereof.

Mortgagees shall mean the Government and CFC.

Net Patronage Capital or Margins shall mean an amount constituting the net patronage capital or margins of the Mortgagor as computed for purposes of Line B.29 of REA Form 12a.

Note or Notes shall mean one or more of the CFC Class A Notes, the CFC Class B Notes, the REA Notes, and any other Notes which may, from time to time, be secured under this Mortgage.

Noteholder or Noteholders shall mean one or more of the holders of Notes secured by this Mortgage.

Outstanding CFC Class A Notes shall mean the note or notes more particularly described in Appendix A hereto, heretofore delivered by the Mortgagor to CFC to evidence obligations of the Mortgagor under certain of the CFC-Coop Agreements.

Outstanding Notes shall mean the Outstanding CFC Notes and the Outstanding REA Notes.

Outstanding REA Notes shall mean the note or notes more particularly described in Appendix A hereto, heretofore delivered by the Mortgagor to the Government to evidence loans made or guaranteed by the Government pursuant to the Act and the REA Loan Agreement.

Permitted Encumbrances shall mean any liens for taxes, assessments or governmental charges for the current year and taxes, assessments or governmental charges not due and delinquent; liens for workmen's compensation awards and similar obligations not then delinquent; mechanics', laborers', materialmen's and similar liens not then delinquent, and any such liens, whether or not delinquent, whose validity is at the time being contested in good faith; liens and charges incidental to construction or current operation which have not been filed or asserted or the payment of which has been adequately secured or which, in the opinion of counsel to the Mortgagor, are insignificant in amount; liens, securing obligations not assumed by the Mortgagor and on account of which it does not pay and does not expect to pay interest, existing upon real estate (or rights in or relating to real estate) over or in respect of which the Mortgagor has a right-of-way or other easement for substation, transmission, distribution or other right-of-way purposes; any right which the United States of America or any state or municipality or governmental body or agency may have by virtue of any franchise, license, contract or statute to purchase, or designate a purchaser of, or order the sale of, any property of the Mortgagor upon payment of reasonable compensation therefor, or upon reasonable compensation or conditions to terminate any franchise, license or other rights before the expiration date thereof or to regulate the property and business of the Mortgagor; attachment or judgment liens covered by insurance, or upon appeal and covered by bond; deposits or pledges to secure payment of workmen's compensation, unemployment insurance, old age pensions or other social security; deposits or pledges to secure performance of bids, tenders, contracts (other than contracts for the payment of borrowed money), leases, public or statutory obligations; surety or appeal bonds, and other deposits or pledges for purposes of like general nature in the ordinary course of business; easements or reservations in respect to any property for the purpose of transmission and distribution lines and rights-of-way and similar purposes, zoning ordinances, regulations, reservations, restrictions, covenants, party wall agreements, conditions of record and other encumbrances (other than to secure the payment of money), none of which in the opinion of counsel to the Mortgagor is such as to interfere with the proper

operation of the property affected thereby; the burdens of any law or governmental organization or permit requiring the Mortgagor to maintain certain facilities or perform certain acts as a condition of its occupancy of or interference with any public land or any river, stream or other waters or relating to environmental matters; any lien or encumbrance for the discharge of which moneys have been deposited in trust with a proper depository to apply such moneys to the discharge of such lien or encumbrances; any exceptions, reservations and other matters referred to in the description of the mortgaged property and, with respect to any property which the Mortgagor may hereafter acquire, any terms, conditions, agreements, covenants, exceptions and reservations expressed or provided in the deeds or other instruments under which the Mortgagor shall hereafter acquire the same, none of which in the opinion of counsel to the Mortgagor materially adversely affects or will affect the property to which the same relates or the operation thereof by the Mortgagor; any lien reserved as security for rent or compliance with other provisions of the lease in case of any leasehold estate; and purchase money mortgages and liens, charges and encumbrances upon property existing at the time of acquisition thereof by the Mortgagor.

REA shall mean the Rural Electrification Administration, an agency of the Government.

REA Form 12a shall mean the 11-79 revision (or to the revision of any other date which may be specified) of such REA Form 12a or to any later revision thereof which shall have been at the time prescribed for use by REA; if some other form containing the corresponding information shall at the time be prescribed by REA, such reference shall apply to the corresponding item in such other form; or, if no such form is applicable to the accounts of the Mortgagor, such reference shall apply to the corresponding information otherwise determined in a comparable manner.

REA Loan Agreement shall mean the loan contract more particularly described in Appendix A hereto, executed by and between the Government and the Mortgagor, as it has heretofore and as it may hereafter be supplemented or amended, including, without limitation, the Current REA Loan Agreement, together with any contract under which the Government has or may hereafter guarantee, pursuant to the Act, the repayment by the Mortgagor of a loan or loans made by a third party or parties to the Mortgagor.

REA Mortgage shall mean, collectively, the mortgages and security agreements more particularly described in Appendix A hereto, heretofore made by and among the Mortgagor, the Government, and CFC.

REA Notes shall mean the Outstanding REA Notes, the Current REA Notes and the Additional REA Notes.

Restricted Property shall mean all properties of the Mortgagor other than automobiles, trucks, trailers, tractors, other vehicles (including, without limitation, aircraft and ships), office, garage and warehouse space and office equipment (including, without limitation, computers).

Security Interest shall mean any assignment, transfer, mortgage, hypothecation or pledge.

Subordinated Indebtedness shall mean unsecured indebtedness of the Mortgagor, payment of which shall be subordinated to the prior payment of the Notes by subordination agreement in form and substance satisfactory to the Two-thirds Noteholders.

this Mortgage shall have the meaning specified in Section 2.01 hereof.

Total Long-Term Debt shall mean an amount constituting the long-term debt of the Mortgagor as computed for purposes of Line A.35 of REA Form 12a.

Total Utility Plant shall mean the amount constituting the total utility plant of the Mortgagor computed in accordance with the Uniform System of Accounts.

25% Noteholders shall mean the holder or holders of not less than 25% in principal amount of the Notes at the time unpaid and outstanding.

Two-thirds Noteholders shall mean the holder or holders of not less than 66-2/3% in principal amount of Notes at the time unpaid and outstanding, which holders shall include the Government so long as it is a holder of any Notes at the time unpaid and outstanding.

Uniform Commercial Code shall mean the Uniform Commercial Code of any state.

Uniform System of Accounts shall mean the Uniform System of Accounts prescribed by the REA for its Electric Borrowers.

unpaid and outstanding shall have the meaning specified in Section 7.04.

Accounting terms not referred to above are used in this Mortgage in accordance with the meanings given them in the Uniform System of Accounts or, failing provision therefor in said System, the meanings given them by generally accepted accounting practices. Any reference herein to "directors" or "board of directors" shall be deemed to mean "trustees" or "board of trustees", as the case may be.

ARTICLE II

SECURITY

SECTION 2.01. Consolidation of REA Mortgage. The REA Mortgage is hereby amended, supplemented and consolidated to read in its entirety from and after the date of execution of this Consolidated Mortgage and Security Agreement (the REA Mortgage, as amended, supplemented and consolidated hereby, being hereinafter called "this Mortgage") as set forth herein.

SECTION 2.02. Granting Clause. In order to secure the payment of the principal of and interest on the Notes, according to their tenor and effect, and further to secure the due performance of the covenants, agreements and provisions contained in this Mortgage, the REA Loan Agreement, and the CFC-Coop Agreements, and to declare the terms and conditions upon which the Notes are to be secured, the Mortgagor, in consideration of the premises, has executed and delivered this Mortgage, and has granted, bargained, sold, conveyed, warranted, assigned, transferred, mortgaged, pledged and set over, and by these presents does hereby grant, bargain, sell, convey, warrant, assign, transfer, mortgage, pledge and set over, unto the Mortgagees, and their respective assigns, all and singular the following-described property (hereinafter sometimes called the "Mortgaged Property"):

I

All right, title and interest of the Mortgagor in and to the electric generating plants and facilities and electric transmission and distribution lines and facilities now owned by the Mortgagor and located in the Counties listed in Appendix B hereto and in Counties contiguous to any of said Counties, or hereafter constructed or acquired by the Mortgagor, wherever located, and in and to all extensions and improvements thereof and additions thereto, including all substations, service and connecting lines (both overhead and underground), poles, towers, posts, crossarms, wires, cables, conduits, mains, pipes, tubes, transformers, insulators, meters, electrical connections, lamps, fuses, junction boxes, fixtures, appliances, generators, dynamos, water turbines, water wheels, boilers, steam turbines, motors, switch boards, switch racks, pipe lines, pollution control equipment machinery, tools, supplies, switching and other equipment, railroads, microwave systems, caissons, tunnels and any and all other property of every nature and description, used or acquired for use by the Mortgagor in connection therewith, and including, without limitation, the property described in Appendix B hereto.

II

All right, title and interest of the Mortgagor in, to and under any and all grants, privileges, rights of way and easements now owned, held, leased, enjoyed or exercised, or which may hereafter be owned, held, leased, acquired, enjoyed or exercised, by the Mortgagor for the purposes of, or in connection

with, the construction or operation by or on behalf of the Mortgagor of electric transmission or distribution lines or systems, whether underground or overhead or otherwise, or of any electric generating plant, wherever located;

III

All right, title and interest of the Mortgagor in, to and under any and all licenses, ordinances, privileges and permits heretofore granted, issued or executed, or which may hereafter be granted, issued or executed, to it or to its assignors by the United States of America, or by any state, or by any county, township, municipality, village or other political subdivision thereof, or by any agency, board, commission or department of any of the foregoing, authorizing the construction, acquisition, or operation of electric transmission or distribution lines, or systems, or any electric generating plant or plants, insofar as the same may by law be assigned, granted, bargained, sold, conveyed, transferred, mortgaged or pledged;

IV

All right, title and interest of the Mortgagor in, to and under any and all contracts heretofore or hereafter executed by and between the Mortgagor and any person, firm, corporation or governmental body or agency providing for the purchase, sale, exchange or transmission of electric power or energy by the Mortgagor together with any and all other accounts, contract rights and general intangibles (as such terms are defined in the applicable Uniform Commercial Code) heretofore or hereafter acquired by the Mortgagor, including, without limitation, the accounts, contract rights and general intangibles described in Appendix B hereto;

V

Also, all right, title and interest of the Mortgagor in and to all other property, real or personal, tangible or intangible, of every kind, nature and description, and wheresoever situated, now owned or hereafter acquired by the Mortgagor, it being the intention hereof that all such property now owned but not specifically described herein or acquired or held by the Mortgagor after the date hereof shall be as fully embraced within and subjected to the lien hereof as if the same were now owned by the Mortgagor and were specifically described herein to the extent only, however, that the subjection of such property to the lien hereof shall not be contrary to law;

Together with all rents, income, revenues, profits and benefits at any time derived, received or had from any and all of the above-described property of the Mortgagor.

Provided, however, that except as provided in Section 4.13 hereof, no automobiles, trucks, trailers, tractors or other vehicles (including, without limitation, aircraft or ships, if any) office, garage and warehouse space and office equipment (including, without limitation, computers) owned or used by the Mortgagor shall be included in the Mortgaged Property.

TO HAVE AND TO HOLD all and singular the Mortgaged Property unto the Mortgagees and their respective assigns forever, to secure equally and ratably the payment of the principal of and interest on the Notes, according to their tenor and effect, without preference, priority or distinction as to interest or principal (except as otherwise specifically provided herein) or as to lien or otherwise of any Note over any other Note by reason of the priority in time of the execution, delivery or maturity thereof or of the assignment or negotiation thereof, or otherwise, and to secure the due performance of the covenants, agreements and provisions herein and in the REA Loan Agreement and the CFC-Coop Agreements contained, and for the uses and purposes and upon the terms, conditions, provisos and agreements hereinafter expressed and declared.

ARTICLE III

ADDITIONAL NOTES

SECTION 3.01. Authority to Issue Additional Notes. The Mortgagor, when authorized by resolution or resolutions of its board of directors, may from time to time (1) execute and deliver to the Government one or more Additional REA Notes and (2) execute and deliver to CFC one or more Additional CFC Notes. The Mortgagor, when authorized by resolution or resolutions of its board of directors, may also from time to time execute and deliver one or more Additional Notes to refund any Note or Notes at the time outstanding and secured hereby, or in renewal of, or in substitution for, any such outstanding Note or Notes. Additional Notes shall contain such provisions and shall be executed and delivered upon such terms and conditions as the board of directors of the Mortgagor in the resolution or resolutions authorizing the execution and delivery thereof and the relevant lender shall prescribe; provided, however, that the Notes and other obligations at any one time secured hereby shall not exceed in the aggregate principal amount the Maximum Debt Limit, and no Note shall mature more than 50 years after the date hereof.

No Additional CFC Notes shall be secured by this Mortgage without the prior written approval thereof by the Government. The determination of whether any Additional CFC Note to be secured by this Mortgage shall be so secured as a CFC Class A Note or as a CFC Class B Note shall be made by the Government at the time of such approval.

SECTION 3.02. Supplemental Mortgages to Confirm Security. The Mortgagor, when authorized by resolution or resolutions of its board of directors, may from time to time execute, acknowledge, deliver, record and file mortgages supplemental to this Mortgage, which thereafter shall form a part hereof, for the purpose of formally confirming this Mortgage as security for the Notes. Nothing herein contained shall require the execution and delivery by the Mortgagor of a supplemental mortgage in connection with the issuance hereunder or the securing hereby of Notes except as hereinafter provided in Section 4.13 hereof.

ARTICLE IV

PARTICULAR COVENANTS OF THE MORTGAGOR

The Mortgagor covenants with the Mortgagees and Noteholders and each of them as follows:

SECTION 4.01. Authority to Execute and Deliver Notes and Mortgage; All Action Taken; Enforceable Obligations. The Mortgagor is duly authorized under its articles of incorporation and by-laws and the laws of the State of its incorporation and all other applicable provisions of law to execute and deliver the Outstanding REA Notes, the Outstanding CFC Class A Notes, the Current REA Notes, the Current CFC Class B Notes and this Mortgage, and to execute and deliver Additional Notes; all corporate action on its part for the execution and delivery of the Outstanding REA Notes, the Outstanding CFC Class A Notes, the Current REA Notes, the Current CFC Class B Notes and this Mortgage has been duly and effectively taken; and the Outstanding REA Notes, the Outstanding CFC Class A Notes, the Current REA Notes, the Current CFC Class B Notes and this Mortgage are, or when executed and delivered will be, the valid and enforceable obligations of the Mortgagor in accordance with their respective terms.

SECTION 4.02. Authority to Mortgage Property; No Liens; Exceptions for Permitted Encumbrances; Mortgagor to Defend Title and Remove Liens. The Mortgagor warrants that it has good right and lawful authority to mortgage the property described in the Granting Clause of this Mortgage for the purposes herein expressed, and that the said property is free and clear of any deed of trust, mortgage, lien, charge or encumbrance thereon or affecting the title thereto, except the lien of this Mortgage and Permitted Encumbrances. Except as to Permitted Encumbrances, the Mortgagor will, so long as any of the Notes shall be outstanding, maintain and preserve the lien of this Mortgage superior to all other liens affecting the Mortgaged Property, and will forever warrant and defend the title to the property described as being mortgaged hereby to the Mortgagees against any and all claims and demands whatsoever. Except as to Permitted Encumbrances, the Mortgagor will promptly pay or discharge any and all obligations for or on account of which any such lien or charge might exist or could be created and any and all lawful taxes, rates, levies, assessments, liens, claims or other charges imposed upon or accruing upon any of the Mortgagor's property (whether taxed to the Mortgagor or to any Noteholder), or the franchises, earnings or business of the Mortgagor, as and when the same shall become due and payable; and whenever called upon so to do the Mortgagor will furnish to the Mortgagees or to any Noteholder adequate proof of such payment or discharge; provided, however, that this provision shall not be deemed to require the payment or discharge of any tax, rate, levy, assessment or other governmental charge while the Mortgagor is contesting the validity thereof by appropriate proceedings in good faith and so long as it shall have set aside on its books adequate reserves with respect thereto.

SECTION 4.03. No Encumbrances on Property; Exceptions for Parity Lien in favor of Another Lender. Except to secure loans to the Mortgagor, or to a third party or parties the obligation of which is assumed by the Mortgagor, made or guaranteed by the Government or made by CFC, in each case in the manner specified

in Section 3.01 hereof, the Mortgagor will not, without the consent in writing of the Government, charge, assign, pledge, mortgage or otherwise encumber any of its property, real or personal, tangible or intangible, wheresoever located, which at the time is, or at any time may become, subject to the lien of this Mortgage, but in no event contrary to the provisions of Section 4.02 hereof, except that, in the event the Mortgagor shall have duly applied for a loan from another lender or lenders which the Government shall have in writing approved and determined to be financially feasible for the Mortgagor, then the Mortgagor may obtain a commitment for such loan from such other lender or lenders and agree, if the Government consents thereto, to so encumber its property by amending this Mortgage to secure under this Mortgage, in such manner as the Government shall prescribe, the evidence of such loan from such other lender or lenders, and in such event the Mortgagees will consent to and execute and deliver an amendment to this Mortgage, or such other instrument as may be appropriate, in order to secure such note or notes of such other lender or lenders under this Mortgage; provided that, by such amendment to this Mortgage or otherwise, such other lender or lenders shall receive no greater rights or powers than those granted to CFC; and provided, further, that, any such amendment to this Mortgage and any charge, assignment, pledge, mortgage or other encumbrance incurred pursuant to this Section 4.03 shall comply with the indenture dated as of December 1, 1972, between CFC and Manufacturers Hanover Trust Company, as trustee.

SECTION 4.04. Payment of Notes; Prepayments. The Mortgagor will duly and punctually pay the principal of, interest on, and any and all other amounts payable under the Notes at the dates and places and in the manner provided therein, according to the true intent and meaning thereof, and all other sums becoming due thereunder and hereunder. The Mortgagor may at any time make prepayments, on account of all or part of the principal of the Notes, to the extent and in the manner therein and in the REA Loan Agreement and the CFC-Coop Agreements set forth; provided, however, that (i) any prepayment of any of the CFC Notes shall be accompanied by a simultaneous prepayment of each of the REA Notes issued in connection with such CFC Note as a result of a Contemporaneous Loan, all as hereinafter set forth, and (ii) any prepayment of any of the REA Notes shall be accompanied by a simultaneous prepayment of each of the CFC Notes issued in connection with such REA Note as a result of a Contemporaneous Loan, all as hereinafter set forth (at the premium, if any, prescribed in the respective CFC-Coop Agreement). Prepayments which are required to be apportioned between CFC Notes on the one hand and the REA Notes on the other hand under the above proviso shall be apportioned according to the proportions which the aggregate unpaid principal amount of such CFC Notes and the aggregate unpaid principal amount of such REA Notes, respectively, bear to the aggregate unpaid principal amount of such CFC Notes and REA Notes, collectively, on the date of prepayment and shall be applied to such Notes and installments thereof as may be designated by the respective Noteholders at the time of any such prepayment. For purposes of this Section 4.04, the term "REA Notes" shall not be deemed to include Notes which refund, renew or are in substitution for Outstanding REA Notes.

SECTION 4.05. Preservation of Corporate Existence and Franchises; Compliance with Laws; Limitations on Mergers and Transfers of Capital Assets. (a) The Mortgagor will at all times, so long as any of the Notes shall be outstanding, take or cause to be taken all such action as from time to time may be necessary to preserve its corporate existence and to preserve and renew all franchises, rights of way, easements, permits and licenses now or hereafter to it granted or upon it conferred, and will comply with all valid laws, ordinances, regulations and requirements applicable to it or its property.

(b) The Mortgagor will not, (1) without the approval in writing of the Government, consolidate with or merge into any other corporation or permit any other corporation to merge into the Mortgagor or acquire all or substantially all of the business or assets of another corporation if such acquisition is analogous in purpose or effect to a merger or consolidation, or so consolidate or merge or permit any such merger or so acquire any such business or assets without the approval in writing of the Two-thirds Noteholders, unless the corporation surviving such transaction shall have assumed the payment of the Notes and the performance of the Mortgagor's covenants in this Mortgage, or (2) without the approval in writing of the Two-thirds Noteholders, sell, lease or transfer (or make any agreement therefor) any capital asset, unless the fair market value of such asset is less than $50,000 and the aggregate value of assets so sold, leased or transferred in any 12-month period is less than $200,000 and the proceeds of such sale, lease or transfer, less ordinary and reasonable expenses incident to such transaction, are immediately (i) applied as a prepayment of the Notes, pro rata according to the aggregate unpaid principal amount of the Notes, to such installments thereof as may be designated by the respective Noteholders at the time of any such prepayment, (ii) in the case of dispositions of equipment, materials or scrap, applied to the purchase of other property useful in the Mortgagor's business, not necessarily of the same kind as the property disposed of, which shall forthwith become subject to the lien of this Mortgage or (iii) set aside as a deposit in the construction fund contemplated by Account Number 131.2 of the Uniform System of Accounts.

SECTION 4.06. Maintenance of Mortgaged Property. (a) The Mortgagor will at all times maintain and preserve the Mortgaged Property and each and every part and parcel thereof in good repair, working order and condition and in compliance with all applicable laws, regulations and orders, and will from time to time make all needful and proper repairs, renewals and replacements, and useful and proper alterations, additions, betterments and improvements, and will, subject to contingencies beyond its reasonable control, at all times keep its plant and properties in necessary continuous operating condition and use all reasonable diligence to furnish the consumers served by it through the Mortgaged Property, or any part thereof, with an adequate supply of electric energy and other services furnished by the Mortgagor. If any substantial part of the Mortgaged Property is leased by the Mortgagor to any other party, the lease agreement between the Mortgagor and the lessee shall obligate the lessee to comply with the provisions of Subsections (a) and (b) of this Section 4.06 in respect of the leased facilities and to permit the Mortgagor to operate the leased facilities in the event of any failure by the lessee to so comply.

(b) The Mortgagor will cause the sum of the amount used during each period of 5 consecutive calendar years for maintenance, renewals and replacements of the Mortgaged Property and any available Maintenance Credit (as hereinbelow defined), to be at least equal to the lesser (hereinafter called the "Standard") of either (i) 10% of the result obtained by deducting from the amount of Operating Revenues and Patronage Capital (as shown on Line 32 of REA Bulletin 1-1 for Power Supply Borrowers, as now in effect, with respect to each calendar year) of the Mortgagor for such 5-year period, the sum of operating expenses as shown on Lines 35, 36 and 37 of said REA Bulletin and Fixed Costs on Production Plant (Account Numbers 403.1, 408, 427, 924, 925, and 926, as shown on Lines 18, 19, 20 and 21 of REA Form 12d, rev. 12/70, and the corresponding Accounts of REA Forms 12c and 12f, rev. 12/70, as applicable) of the Mortgagor for such 5-year period, or (ii) 15% of the sum obtained by adding the amount charged to Depreciation and Amortization Expense (as shown on Line 47 of said REA Bulletin) and Maintenance Expense-Total (as shown on Line 42 of said REA Bulletin) of the Mortgagor for such 5-year period.

The term "Maintenance Credit" shall mean the sum of (1) the excess of the amount used in each period of 5 consecutive calendar years for maintenance, renewals and replacements over the Standard during such 5-year period and (2) the amount of such excesses from prior years, less amounts thereof previously utilized as permitted by this Section 406.

The term "Maintenance Deficit" shall mean the amount by which the Standard in each period of 5 consecutive calendar years exceeds the sum of (1) the amount applied during such 5-year period for maintenance, renewals and replacements and (2) the amount of any available Maintenance Credit.

The amount used for maintenance in each year shall be the amount shown for the Mortgagor for such year on Line 42 of said REA Bulletin 1-1, as now in effect, and the amounts used for renewals and replacements shall be based upon improvements and replacements of Utility Plant associated with retirements thereof, less net salvage value.

In furtherance of the covenant contained in this Subsection (b), the Mortgagor will, within 5 months after the close of the 5th complete calendar year after the year in which this Mortgage is executed and within 5 months after the end of each 5-year period following said 5th calendar year, furnish to the Mortgagees an Officer's Certificate, setting forth separately and in reasonable detail:

(1) The amount of Operating Revenues and Patronage Capital derived by the Mortgagor from the Mortgaged Property during the 5 preceding calendar years and the Mortgagor's Operation Expense-Total, Fixed Costs on Production Plant, Depreciation and Amortization Expense, and Maintenance Expense-Total for such 5-year period;

(2) The amounts used during such 5 preceding calendar years for maintenance, renewals and replacements of the Mortgaged Property;

(3) Any Maintenance Credit not theretofore utilized as permitted by this Section 4.06 and the computation thereof; and

(4) The resulting Maintenance Credit or Maintenance Deficit.

In case any such Officer's Certificate shows a Maintenance Deficit, the Mortgagor shall either (i) immediately apply an amount equal to the largest integral multiple of $1,000 which equals or is less than the amount so determined to the prepayment of the Notes, pro rata according to the unpaid principal amounts thereof (such prepayments to be applied to such installments thereof as may be designated by the respective Noteholders at the time of any such prepayment), or (ii) immediately deposit the amount so determined in a bank or banks satisfactory to the Government to be held by such bank or banks in a Restricted Maintenance Fund in trust for the benefit of the Noteholders pursuant to a trust agreement satisfactory to the Government; provided, however, that at the direction or with the approval of the Government, the Mortgagor may cause funds held in such Restricted Maintenance Fund to be applied to the making of expenditures for maintenance, renewals and replacements of the Mortgaged Property; provided, further, however, that in the event that there shall have been a balance in said Restricted Maintenance Fund at the end of each of 2 such consecutive reporting periods, the Government may thereafter cause the funds held therein to be applied as provided in clause (i) above; and provided, further, however, that in the event of such a Maintenance Deficit, the Mortgagor may promptly cause to be made an inspection of the Mortgaged Property by a professional engineer satisfactory to the Government and may cause to be issued a report of such engineer, satisfactory in form and substance to the Government, stating the minimal aggregate amount which, in the judgment, of such professional engineer, is then needed for maintenance, renewals, and replacement of the Mortgaged Property in accordance with sound industry practices, and in the event such amount shall be less than such Maintenance Deficit, the maximum amount which the Mortgagor shall be required to apply to prepayment or to deposit in a Restricted Maintenance Fund pursuant to this paragraph shall in all events be the amount so stated by such professional engineer.

In case any such certificate shows a Maintenance Credit, the Mortgagor may withdraw the amount of such Maintenance Credit from said Restricted Maintenance Fund to the extent that there is an accumulated balance therein, and the Government, as agent of the Noteholders, shall in such case cause such withdrawal to be permitted.

The amount of any Maintenance Credit not utilized to reduce a Maintenance Deficit or so withdrawn from the Restricted Maintenance Fund shall be available until utilized for such purposes.

The Mortgagor agrees that it will, within 5 months after the close of each calendar year after the year in which this Mortgage is executed (other than during the year in which an Officer's Certificate is required to be furnished pursuant to the 5th paragraph of this Subsection (b)) furnish to the Mortgagees

an Officer's Certificate, setting forth separately and in reasonable detail the amounts described in clauses (1) and (2) of said paragraph for the preceding calendar year; provided, however, that the foregoing requirements to furnish the Officer's Certificate pursuant to this paragraph and the 5th paragraph of this Subsection (b) shall not relieve the Mortgagor from any obligation to furnish any Officer's Certificate with respect to maintenance, renewals and replacement of the Mortgaged Property as previously required under the REA Mortgage.

SECTION 4.07. Purchase of Property Free of Liens; Limitation on Long-Term Leases. Except as specifically authorized in writing in advance by the Government, and subject in all events to the provisions of Section 4.02, the Mortgagor will purchase all materials, equipment and replacements to be incorporated in or used in connection with the Mortgaged Property outright, and not subject to any conditional sales agreement, chattel mortgage, bailment, lease, or other agreement reserving to the seller any right, title or lien. The Mortgagor will not, without the approval in writing of the Government, become or be obligated under Long-Term Leases for the rental from others of Restricted Property if the aggregate amount of rentals thereunder accrued or which may accrue during any period of 12 calendar months shall exceed 2% of the Equity of the Mortgagor at the time any determination of such rental obligations is made hereunder.

SECTION 4.08. Insurance of Mortgaged Property; Restoration of Damaged Mortgaged Property. (a) The Mortgagor will take out, as the respective risks are incurred, and maintain the following classes and amounts of insurance: (1) fidelity bonds covering each officer and employee of the Mortgagor in not less than the following amounts, based on the estimated annual gross revenues of the Mortgaged Property:

Annual Gross Revenue			Amount of Coverage
Less than		$ 200,000	$ 10,000
$200,001	to	400,000	20,000
400,001	to	600,000	40,000
600,001	to	800,000	60,000
800,001	to	1,000,000	80,000
	over	1,000,000	100,000

and each collection agent of the Mortgagor shall be included in such fidelity bonds for not less than $2,500, or 10% of the highest amount collected annually by any one collection agent, whichever is greater; (2) workmen's compensation insurance covering all employees of the Mortgagor, in such amounts as may be required by law, or if the Mortgagor or any of its employees are not subject to the workmen's compensation laws of the state or states in which the Mortgagor conducts its operations, then its workmen's compensation policy shall provide voluntary compensation coverage to the same extent as though the Mortgagor and such employees were subject to such laws; and including occupational disease liability coverage, and "additional medical" coverage of not less than $10,000 in states where full medical coverage is not required by law; (3) public liability and property damage liability insurance, covering ownership liability,

and all operations of the Mortgagor, with limits for bodily injury or death of not less than $100,000 for one person and $300,000 for each accident, and with limits for property damage of not less than $50,000 for each accident and $100,000 aggregate for the policy period; (4) liability insurance on all motor vehicles, trailers, semitrailers, and aircraft used in the conduct of the Mortgagor's business, whether owned, non-owned or hired by the Mortgagor, with bodily injury limits of not less than $100,000 for one person and $300,000 for each accident, and with property damage limits of $25,000 for each accident; in connection with aircraft liability, also passenger bodily injury limits of $100,000 per person and $300,000 for each accident; (5) comprehensive, or separate fire, theft and windstorm insurance covering loss of or damage to all owned motor vehicles, trailers, and aircraft of the Mortgagor, having a unit value in excess of $1,000 in an amount not less than the actual cash value of the property insured; (6) fire and extended coverage insurance, designating the Government and CFC as mortgagees in the policy, on each building and its contents, and on any other property of the Mortgagor, other than power lines and other distribution facilities, including, without limitation, property situated in each storage location or materials and supplies, poles and crossarms, owned by the Mortgagor, having a value at any one location in excess of $5,000, or in excess of 1% of the total plant value, whichever is larger, and in an amount not less than 80% of the current cost to replace the property new, less actual depreciation; and (7) boiler and machinery insurance, if the Mortgaged Property includes electric generating facilities, in an amount for each accident not less than the actual current cash value of the property of the Mortgagor and of other adjacent property that could be damaged thereby.

The Mortgagor will also, from time to time, increase or supplement the classes and amounts of insurance specified above to the extent requested by the Government or the Majority Noteholders or required to conform to the accepted practice of companies of the size and character of the Mortgagor. The Mortgagor will, upon request of any of the Mortgagees, submit to the Mortgagees a schedule of its insurance in effect on the date specified in such request and copies of any policies or contracts relating thereto.

The foregoing insurance coverage shall be obtained by means of bond and policy forms approved by regulatory authorities, including standard REA endorsements and riders used by the insurance industry to provide coverage for REA borrowers. Each policy or other contract for such insurance shall contain an agreement by the insurer that, notwithstanding any rights of cancellation reserved to such insurer, such policy or contract shall continue in force for at least 90 days after written notice to the Mortgagees of cancellation.

(b) In the event of damage to or the destruction or loss of any portion of the Mortgaged Property which shall be covered by insurance, unless the Government shall otherwise agree, the Mortgagor shall replace or restore such damaged, destroyed or lost portion so that the Mortgaged Property shall be in substantially the same condition as it was in prior to such damage, destruction or loss, and shall apply the proceeds of the insurance

for that purpose; provided, however, that in the event the Mortgagor, with agreement therefor by the Government, shall not so replace or restore such damaged, destroyed or lost portion of the Mortgaged Property, the Mortgagor shall apply the proceeds of the insurance as a ratable prepayment of or on account of the unpaid principal of the Notes, to such installments thereof as may be designated by the respective Noteholders at the time of any such payment. The Mortgagor shall replace the loss or shall commence such restoration promptly after such damage, destruction or loss shall have occurred and shall complete such replacement or restoration as expeditiously as practicable, and shall pay or cause to be paid out of the proceeds of such insurance all costs and expenses in connection therewith so that such replacement or restoration shall be so completed that the portion of the Mortgaged Property so replaced or restored shall be free and clear of all mechanics' liens and other claims.

Sums recovered under any fidelity bond by the Mortgagor for a loss of funds advanced under the Notes or recovered by a Mortgagee for any loss under such bond shall, unless otherwise directed by the Two-thirds Noteholders, be applied to the prepayment of the Notes, pro rata according to the unpaid principal amounts thereof (such pepayments to be applied to such installments thereof as may be designated by the respective Noteholders at the time of any such prepayment), or to construct or acquire facilities approved by the Two-thirds Noteholders, which will become part of the Mortgaged Property.

SECTION 4.09. Mortgagee Right to Expend Money to Protect Mortgaged Property. In the event of the failure of the Mortgagor in any respect to comply with the covenants and conditions herein contained with respect to the procuring of insurance, the payment of taxes, assessments and other charges, the keeping of the Mortgaged Property in repair and free of liens and other claims or to comply with any other covenant contained in this Mortgage, any Mortgagee shall have the right (without prejudice to any other rights arising by reason of such default) to advance or expend moneys for the purpose of procuring such insurance, or for the payment of insurance premiums, taxes, assessments or other charges, or to save the Mortgaged Property from sale or forfeiture for any unpaid tax or assessment, or otherwise, or to redeem the same from any tax or other sale, or to purchase any tax title thereon, or to remove or purchase any mechanics' liens or other encumbrance thereon, or to make repairs thereon or to comply with any other covenant herein contained or to prosecute or defend any suit in relation to the Mortgaged Property or in any manner to protect the Mortgaged Property and the title thereto, and all sums so advanced for any of the aforesaid purposes with interest thereon at the highest legal rate, but not in excess of 10% per annum, shall be deemed a charge upon the Mortgaged Property in the same manner as the Notes at the time outstanding are secured and shall be forthwith paid to the Mortgagee making such advance or advances upon demand. It shall not be obligatory for any Mortgagee in making any such advances or expenditures to inquire into the validity of any such tax title, or of any of such taxes or assessments or sales therefor, or of any such mechanics' liens or other encumbrance. A Mortgagee acting hereunder shall not be liable to the Mortgagor, the other Mortgagees or any Noteholder except for losses resulting from gross negligence or wilful misfeasance.

SECTION 4.10. Limitations on: System Extensions and Additions; Contracts for Operation and Maintenance, Power Purchases, Power Sales; Service Contracts; Deposits of Funds. The Mortgagor will not, without the aproval in writing of the Government: (a) construct, make, lease, purchase or otherwise acquire any extensions or additions to its system or enter into any contract therefor, except such extensions or additions as may be financed with loans evidenced by Additional Notes; (b) enter into any contract or contracts for the operation or maintenance of all or any part of its property, for the purchase of electric power or energy, for the sale for resale, or for the sale to the ultimate consumer, of electric power and energy in excess of 1,000 kilowatts, for any transmission, interconnection or pooling arrangements, or for the use by others of any of its property; (c) incur any expenses for legal, engineering, supervisory, accounting or other similar services, except such reasonable expenses as are incurred in the routine course of business; or (d) deposit any of its funds, regardless of the source thereof, in any bank or other depositary which is not a member of the Federal Deposit Insurance Corporation, or the successor thereof, or of a Federal Reserve Bank.

SECTION 4.11. Salaries of Directors, Officers and Employees. The Mortgagor will not pay its directors, as such, any salaries for their services, except such as shall have been approved by the Government; provided that nothing herein contained shall preclude any director from serving the Mortgagor in any other capacity and receiving compensation therefor. Salaries and wages paid officers and employees shall be reasonable and in conformity with the usual practice of corporations of the size and nature of the Mortgagor.

SECTION 4.12. Financial Books; Financial Reports; Mortgagee Right of Inspection. The Mortgagor will at all times keep, and safely preserve, proper books, records and accounts in which full and true entries will be made of all of the dealings, business and affairs of the Mortgagor, in accordance with the methods and principles of accounting prescribed in the Uniform System of Accounts. The Mortgagor will prepare and furnish each of the Mortgagees not later than the 20th day of each month, or at less frequent intervals when specified by any such Mortgagee, financial and statistical reports on its condition and operations. Such reports shall be in such form and include such information as may be specified by such Mortgagee, including, without limitation, an analysis of the Mortgagor's revenues, expenses and consumer accounts. The Mortgagor will cause to be prepared and furnished to each of the Mortgagees at least once during each 12-month period during the term hereof, a full and complete report of its financial condition as of a date (hereinafter called the "Fiscal Date") not more than 90 days prior to the date such report is furnished to the Mortgagees hereunder, and of its operations for the 12-month period ended on the Fiscal Date, in form and substance satisfactory to the Government audited and certified by independent certified public accountants satisfactory to the Government. Each Mortgagee, through its representatives, shall at all times during reasonable business hours have access to, and the right to inspect and make copies of, any or all books, records and accounts, and any or all in voices, contracts, leases, payrolls, canceled checks, statements and other documents and papers of every kind belonging to or in the possession of the Mortgagor or in anywise pertaining to its property or business.

SECTION 4.13. Further Assurances to Confirm Security of Mortgage; When Vehicles Are to be Made Subject to Mortgage Lien. (a) The Mortgagor will from time to time upon written demand of any Mortgagee make, execute, acknowledge and deliver or cause to be made, executed, acknowledged and delivered all such further and supplemental indentures of mortgage, deeds of trust, mortgages, financing statements, continuation statements, security agreements, instruments and conveyances as may reasonably be requested by any Mortgagee, and take or cause to be taken all such further action as may reasonably be requested by any Mortgagee to effectuate the intention of these presents and to provide for the securing and payment of the principal of, interest on, and any and all other amounts payable under the Notes equally and ratably according to the terms thereof and for the purpose of fully conveying, transferring and confirming unto the Mortgagees the property hereby conveyed, mortgaged and pledged, or intended so to be, whether now owned by the Mortgagor or hereafter acquired by it and to reflect the assignment of the rights or interests of any of the Mortgagees or of any Noteholder hereunder or under any Note. The Mortgagor will cause this Mortgage and any and all supplemental indentures of mortgage, mortgages and deeds of trust and every security agreement, financing statement, continuation statement and every additional instrument which shall be executed pursuant to the foregoing provisions forthwith upon execution to be recorded and filed and rerecorded and refiled as conveyances and mortgages and deeds of trust of and security interests in real and personal property in such manner and in such places as may be required by law or reasonably requested by any Mortgagee in order fully to preserve the security for the Notes and to perfect and maintain the superior lien of this Mortgage and all supplemental indentures of mortgage, mortgages and deeds of trust and the rights and remedies of the Mortgagees and the Noteholders.

(b) In the event that the Mortgagor suffers in the future a deficit in net income, as determined in accordance with methods of accounting prescribed in Section 4.12 hereof, for any fiscal year while any of the Notes are outstanding, the Mortgagor will at any time or times upon written demand of the Government or CFC make, execute, acknowledge and deliver or cause to be made, executed, acknowledged and delivered all such further and supplemental indentures of mortgage, mortgages, security agreements, financing statements, instruments and conveyances, and take or cause to be taken all such further action, as may reasonably be requested by the Government or CFC in order to include in this Mortgage, as Mortgaged Property, and to subject to all the terms and conditions of this Mortgage, all right, title and interest of the Mortgagor in and to, all and singular, the automobiles, trucks, trailers, tractors, aircraft, ships, office, garage and warehouse space and office equipment (including, without limitation, computers) and other vehicles, space and equipment then owned by the Mortgagor, or which may thereafter be owned or acquired by the Mortgagor. From and after the time of such written demand of the Government or CFC, such vehicles, office, garage and warehouse space and office equipment (including, without limitation, computers) shall be deemed to be part of the Mortgaged Property for all purposes hereof.

SECTION 4.14. Time Extensions for Payment of Notes. Any Noteholder may, at any time or times in succession without notice to or the consent of the Mortgagor or any other Noteholder and upon such terms as such Noteholder may prescribe, grant to any person, firm or corporation who shall have become obligated to pay all or any part of the principal of or interest on any Note held by or indebtedness owed to such Noteholder or who may be affected by the lien hereby created, an extension of the time for the payment of such principal or interest, and after any such extension the Mortgagor will remain liable for the payment of such Note or indebtedness to the same extent as though it had at the time of such extension consented thereto in writing.

SECTION 4.15. Design of Rates; Times Interest Earned Ratio; Debt Service Coverage. The Mortgagor, subject to applicable laws and rules and orders of regulatory bodies, will design its rates for electric energy and other services furnished by it with a view to paying and discharging all taxes, maintenance expenses, cost of electric energy and other operating expenses of its electric transmission and distribution system and electric generating facilities, if any, and also to making all payments in respect of principal of and interest on the Notes when and as the same shall become due, to providing and maintaining reasonable working capital for the Mortgagor and to maintaining a Times Interest Earned Ratio (herein called "TIER") of not less than 1.0 and a Debt Service Coverage (herein called "DSC") of not less than 1.0.

For purposes of this Section 4.15, TIER of the Mortgagor shall mean the average of the 2 largest ratios with respect to each of the 3 years (herein called the "test years") last preceding the date of the determination as to the adequacy of the design of rates, determined as follows: for each test year: add Net Patronage Capital of Margins of the Mortgagor to Interest Expense of the Mortgagor, and divide the total so obtained by Interest Expense of the Mortgagor; provided, however, that in computing Interest Expense, there shall be added, to the extent not otherwise included, an amount equal to 33-1/3% of the excess of rentals of Restricted Property under Long-Term Leases over 2% of the Mortgagor's Equities and Margins.

For purposes of this Section 4.15, DSC of the Mortgagor will mean the average of the 2 largest ratios with respect to each of the test years, determined as follows: for each test year: add Net Patronage Capital or Margins (as computed in accordance with the principles set forth in the preceding paragraph hereof) and Interest Expense (as computed in accordance with the principles set forth in the preceding paragraph hereof) of the Mortgagor to Depreciation and Amortization Expense of the Mortgagor, and divide the total so obtained by an amount equal to the sum of all payments of principal and interest required to be made during each of the test years on account of Total Long-Term Debt (including interest computed in the same manner as Interest Expense, as provided above) of the Mortgagor; provided, however, that in the event that any Long-Term Debt has been refinanced during ay test year the payments of principal and interest required to be made during such year on account of such Long-Term Debt shall be based (in lieu of actual payments required to be made on such refinanced Long-Term Debt) upon the larger of (i) an annualization of the payments required to be made with respect

to the refinancing debt during the portion of such year such refinancing debt is outstanding or (ii) the payments of prinicpal and interest required to be made during the following year on account of such refinancing debt.

SECTION 4.16. Limitations on Dividends, Patronage Refunds and Other Cash Distributions. The Mortgagor will not, in any one year, without the approval in writing of the Two-thirds Noteholders, declare or pay any dividends, or pay or determine to pay any patronage refunds, or retire any patronage capital or make any other cash distributions (such dividends, regunds, retirements and other distributions being hereinafter collectively called "distributions") to its members, stockholders or consumers if, after giving effect to any such distribution, the total Equity of the Mortgagor will not equal or exceed 40% of its total assets and other debits; provided, however, that the Mortgagor may nevertheless make distributions in any year up to 25% of the patronage capital and margins received by the Mortgagor in the next preceding year where, after giving effect to any such distribution, the total Equity of the Mortgagor will equal or exceed 20% of its total assets and other debits, and provided, further, however, that in no event will the Mortgagor make any distributions if there is unpaid when due any installment of principal of or interest on the Notes, if the Mortgagor is otherwise in default hereunder or if, after giving effect to any such distribution, the Mortgagor's total current and accrued assets would be less than its total current and accrued liabilities.

For the purpose of this section, a "cash distribution" shall be deemed to include any general cancellation or abatement of charges for electric energy or services furnished by the Mortgagor, but not the repayment of a membership fee of not in excess of $100 upon termination of a membership.

SECTION 4.17. Application of Proceeds from Condemnation. In the event that the Mortgaged Property, or any part thereof, shall be taken under the power of eminent domain, all proceeds and avails therefrom, except to the extent that the Government and CFC shall consent to other use and application thereof by the Mortgagor, shall forthwith be applied by the Mortgagor: first, to the ratable payment of any indebtedness secured by this Mortgage other than indebtedness under the Notes; second, to the ratable payment of interest which shall have accrued on the Notes and be unpaid; third, to the ratable payment of or on account of the unpaid principal of the Notes, to such installments thereof as may be designated by the respective Noteholders at the time of any such payment; and fourth, the balance shall be paid to whosoever shall be entitled thereto; provided, however, that any Noteholder may cause funds to which it may be entitled under clause third hereof to be applied by the Mortgagor to the making of a deposit in the construction fund contemplated by Account 131.2 of the Uniform System of Accounts instead of causing such funds to be applied to the prepayment of any Note held by such Noteholder.

SECTION 4.18. Limitation on Employment of General Manager. The Mortgagor will not at any time employ, or enter into any contract for the employment of, any general manager of the Mortgagor's system or any person exercising comparable authority to such a manager, unless such employment or such contract shall first

have been approved by the Government. If, during such periods as the Mortgagor shall be in default in the making of payment or payments of principal of or interest on one or more of the Notes or otherwise be in default hereunder, the Government shall at any time give notice to the Mortgagor that in its opinion such system is not being efficiently operated and shall request the termination of the employment of any such manager or person exercising comparable authority, or shall request the termination of any operating contract in respect of any such system, the Mortgagor will terminate such employment or operating contract within 30 days after the date of such notice. All contracts in respect of the employment of any such manager or person exercising comparable authority, or for the operation of any such system, shall contain provisions to permit compliance with the foregoing covenants.

SECTION 4.19. Compliance with REA Loan Agreement and CFC-Coop Agreements; Notice of Amendments to, and Defaults under, REA Loan Agreement, CFC-Coop Agreements and Certain Other Agreements; Terms of Mortgage to Govern. The Mortgagor will well and truly observe and perform all of the covenants, agreements, terms and conditions contained in the REA Loan Agreement and CFC-Coop Agreements, as from time to time amended, on its part to be observed or performed. The Mortgagor will promptly furnish each Mortgagee with written notice of any amendment or modification of the REA Loan Agreement or the CFC-Coop Agreements, and of the occurrence of any event of default under the REA Loan Agreement or the CFC-Coop Agreements, and, so long as any of the CFC Notes shall remain unpaid and outstanding, of any amendment or modification of this Mortgage, the CFC Class A Financing Agreements or the CFC Class A Guaranty Agreements, and of the occurrence of any event of default thereunder. For purposes of this Mortgage, in the event of any inconsistency between the terms of this Mortgage and the terms of the REA Loan Agreement or the CFC-Coop Agreements, the terms of this Mortgage shall govern.

SECTION 4.20. Notice of Change in Place of Business. The Mortgagor will promptly notify the Mortgagees in writing of any change in location of its chief place of business or the office where its records concerning accounts and contract rights are kept.

SECTION 4.21. Rights of Way, etc. Necessary in Business. The Mortgagor will obtain all such rights of way, easements from landowners and releases from lienors as shall be necessary or advisable in the conduct of its business, and, if requested by the Government or CFC, deliver to such Mortgagee evidence satisfactory to such Mortgagee of the obtaining of such rights of way, easements or releases.

SECTION 4.22. Limitations on Loans, Investments and Other Obligations. The Mortgagor will not, without the written approval of the Government, hereafter make any loan or advance to, or make any investment in, or purchase or make any commitment to purchase any stock, bonds, notes or other securities of, or guarantee, assume or otherwise become obligated or liable with respect to the obligations of, any person, firm or corporation, except (i) securities or deposits issued, guaranteed or fully insured as to payment by the United States Government or any agency thereof, (ii) Capital Term Certificates or other securities of CFC, (iii) capital

credits resulting from the payment for power and energy purchased and actually received from a generating and transmission cooperative of which the Mortgagor is a member, (iv) loans, deposits, advances, investments, securities and obligations which the Mortgagor has, prior to the date hereof, committed itself to make, purchase or undertake, as the case may be, and as to which the Mortgagor has given the Mortgagees notice in writing prior to November 1, 1977, and (v) such other loans, deposits, advances, investments and obligations as may from time to time be made, purchased or undertaken by the Mortgagor; provided, however, that the aggregate cost of investments, plus the total unpaid principal amount of loans, deposits, advances and obligations, permitted under this clause (v) shall not at any time exceed 3% of the Total Utility Plant of the Mortgagor.

SECTION 4.23. When Rights of Government to Vest in CFC; When Rights of CFC to Vest in Government. If all the REA Notes have been paid and discharged while any of the CFC Notes are still outstanding, all rights and powers of the Government and the holders of the REA Notes under this Mortgage shall immediately vest in the CFC and the holders of the CFC Notes, respectively, and, correspondingly, if all the CFC Notes have been paid and discharged while any of the REA Notes are still outstanding, all rights and powers of the CFC and the holders of the CFC Notes under this Mortgage shall immediately vest in the Government and the holders of the REA Notes, respectively. The CFC, the Government, the Mortgagor and the Noteholders shall execute and deliver such instruments, assignments, releases or other documents as shall be reasonably required to carry out the intention of this Section 4.23.

SECTION 4.24. Restatement of Certain Representations and Covenants in the CFC Class A Financing Agreements; Payment of Accelerated Bonds; CFC Loans Therefor. (a) So long as any of the CFC Class A Notes shall be unpaid and outstanding, the Mortgagor makes to each Mortgagee the same representations made by it in Subsection (g), (h), (i), (j), (k), (l) and (n) of Section 2.2 of the CFC Class A Financing Agreements and covenants and agrees with each Mortgagee that it will comply with the provisions of Section 5.5 of the CFC Class A Financing Agreements.

(b) So long as any of the CFC Class A Notes shall be unpaid and outstanding, in the event that any representation by the Mortgagor contained in said Subsections of Section 2.2 of the CFC Class A Financing Agreements shall prove to be incorrect or untrue in any material respect, or the Mortgagor shall fail to observe or perform any covenant contained in Section 5.5 of any of the CFC Class A Financing Agreements, and as a result the bonds shall have been accelerated the Mortgagor will pay amounts thereupon due on account of the bonds at the time specified in Section 5.02(b)(2) hereof. To the extent it has insufficient funds available for this purpose from other sources, the Mortgagor will apply to CFC for a long-term loan, the proceeds of which will be used to make such payments on the bonds, and if the Government gives written approval to the additional note or notes evidencing such CFC loan in accordance with Section 3.01 hereof, CFC agrees to make such loan upon substantially the same terms and conditions as shall be then generally applicable to CFC long-term loans to its power supply members.

ARTICLE V

REMEDIES OF THE MORTGAGEES AND NOTEHOLDERS

SECTION 5.01. Events of Default; Remedies of the Government. If one or more of the following events (hereinafter called "Events of Default") shall happen, that is to say:

(a) default shall be made in the payment of any installment of or on account of interest on, premium, if any, or principal of, any Note or Notes when and as the same shall be required to be made whether by acceleration or otherwise;

(b) any representation or warranty made by the Mortgagor herein, in the REA Loan Agreement or the CFC-Coop Agreements or in any certificate delivered hereunder or thereunder shall prove to have been incorrect or untrue in any material respect;

(c) default shall be made in the due observance or performance of any of the covenants, conditions or agreements on the part of the Mortgagor contained in Sections 4.03, 4.04, 4.05, 4.07, 4.10, 4.16, 4.22 and 4.24(a) hereof;

(d) default shall be made in the due observance or performance of any other of the covenants, conditions or agreements on the part of the Mortgagor, in any of the Notes or in this Mortgage contained, and such default shall continue for a period of 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Mortgagor by any Noteholder;

(e) 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 30 days after the institution thereof;

(f) a receiver, trustee 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 30 days after the entry thereof;

(g) the Mortagor 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;

(h) a final judgment shall be entered against the Mortgagor and shall remain unsatisfied or without a stay in respect thereof for a period of 30 days; or

(i) a violation of the terms of any subordination agreement entered into in connection with any Subordinated Indebtedness shall have occurred,

then in each and every such case the Government, to the extent permitted by applicable state law on behalf of all the Noteholders, may, in its discretion

(aa) without protest, presentment or demand, declare all unpaid principal of and accrued interest on the Notes to be due and payable immediately; and upon any such declaration all such unpaid principal and accrued interest so declared to be due and payable shall become and be due and payable immediately, anything contained herein or in any Note or Notes to the contrary notwithstanding;

(bb) 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 and profits pertaining to or arising from the Mortgaged Property, or any part thereof, 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;

(cc) (1) so long as any CFC Class B Note shall be unpaid and outstanding, proceed to protect and enforce the rights of the Mortgagees and the rights of the Noteholder or Noteholders under this Mortgage 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 most effectual 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 Government or CFC shall each have the right, irrespective of the adequacy of the security, to have appointed a receiver of the Mortgaged Property and of all rents, income, revenues and profits pertaining thereto or arising therefrom 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 the Government or CFC shall make application for the appointment of a receiver the Mortgagor hereby expressly consents that the court to which such application shall be made may, irrespective of the adequacy of the security, make said appointment; and

(2) after the CFC Class B Notes shall have been paid and discharged, proceed to protect and enforce the rights of the Mortgagees and the rights of the Noteholder or Noteholders under this Mortgage 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 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 most effectual 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 Government shall have the right, irrespective of the adequacy of the security, to have appointed a receiver of the Mortgaged Property and of all rents, income, revenues, and profits pertaining thereto or arising therefrom derived, received or had from the time of the commencement of such suit or action, and such receiver shall have the usual powers and duties of receivers in like and similar cases, to the fullest extent permitted by law, and if application is made hereunder for the appointment of a receiver, the Mortgagor hereby expressly consents that the court to which the Government shall make such application may, irrespective of the adequacy of the security, make said appointment; and

(dd) 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 or otherwise, as may be prescribed or permitted, and in the manner prescribed or permitted by applicable law.

SECTION 5.02. When CFC May Exercise Remedies. (a) Upon the expiration of 30 days after the happening of an Event or Events of Default, any right or remedy herein or by law conferred which the Government shall not have proceeded to exercise or enforce may, to the extent permitted by applicable state law, if any CFC Class B Note shall be at the time unpaid and outstanding, be exercised and enforced by the 25% Noteholders on behalf of all the Noteholders. Except as otherwise provided in the first sentence of this Section 502(a), upon the expiration of 30 days after the happening of an Event or Events of Default, any right or remedy herein or by law conferred which the Government shall not have proceeded to exercise or enforce may, to the extent permitted by applicable state law, be exercised and enforced by the Majority Noteholders on behalf of all the Noteholders.

(b) Notwithstanding the remedial rights of the Government provided for in Section 5.01 hereof, and of the 25% Noteholders and the Majority Noteholders provided for in Section 5.02(a) hereof, so long as any of the CFC Class A Notes shall be unpaid and outstanding:

(1) Upon the occurrence of any Event of Default described in Section 5.01(a) hereof in respect of any CFC Class A Note (herein called a "Non-payment Event of Default") (i) if such Non-payment Event of Default or any other Non-payment Event of Default in respect of any CFC Class A Note shall not have been cured after the expiration of 360 days from the initial occurrence of a Non-

payment Event of Default, and (ii) if after the expiration of such 360 days CFC shall, in writing, request the Government to exercise the remedy provided for in Section 5.01(bb) hereof, then the Government shall, on or before the expiration of 60 days from the date of such written request, exercise such remedy on behalf of all the Noteholders if, and to the extent, permitted by applicable law. If the Government fails to exercise such remedy at such time, and if the Non-payment Event of Default first occurring, or any other such Event of Default, shall not have been cured, CFC may forthwith exercise the remedy provided in said Section 5.01(bb) on behalf of all the Noteholders. If, upon the expiration of 720 days after the occurrence of the initial Non-payment Event of Default, such initial Non-payment Event of Default or any other subsequently occurring Non-payment Event of Default in respect of any CFC Class A Note shall not have been cured, CFC may exercise on behalf of all the Noteholders any right or remedy described in Section 5.01 hereof.

(2) If any representation by the Mortgagor contained in Section 4.24(a) hereof shall prove to be incorrect or untrue in any material respect, or the Mortgagor shall fail to observe or perform any covenant or agreement contained in said Section 4.24(a), and a ruling is made to the effect that as a result of such incorrect or untrue representation or failure by the Mortgagor, the interest payable on the bonds is includible in the gross income for Federal Income Tax purposes of the holder or holders thereof (other than a "substantial user" of the pollution control facilities or a "related person" thereto, as such terms are used or defined in Section 103(b) of the Internal Revenue Code), such ruling being either by (i) the Internal Revenue Service in a published or private ruling or technical advice memorandum in which the Mortgagor has been given the opportunity to participate directly or through any holder or holders of any of the bonds, and the effect of which ruling or memorandum the Mortgagor, in its discretion, does not contest by any appropriate legal judicial proceeding directly or through any holder or holders of any of the bonds, or (ii) a final determination by any court of competent jurisdication in the United States in a proceeding in which the Mortgagor has been given an opportunity to participate directly or through any holder or holders of any of the bonds, and if the bonds have been accelerated because of such ruling, and the Mortgagor has not paid the amounts due on the bonds as a result of such acceleration within 120 days after the Mortgagor obtains knowledge of the ruling, CFC may exercise on behalf of all the Noteholders any right or remedy described in Section 5.01 hereof.

(3) If, in opinion of counsel satisfactory to the Government, the Government may not lawfully act on behalf and for the benefit of all Noteholders other than the Government, CFC shall have the right, to exercise any right or remedy described in Section 5.01 hereof (i) immediately upon the Government's exercise of any right or remedy hereunder, or (ii) on a date 120 days or more after the occurrence of an Event of Default, which is then continuing, if the Government has failed, prior to such date, to exercise any right or remedy hereunder.

(4) CFC may, at any time or times, by specific performance or injunctive action, obtain compliance by the Mortgagor with any covenant of the Mortgagor herein (other than covenants providing for payments on account of the Notes) which runs expressly to CFC as such (whether referred to as "CFC" or as a "Mortgagee") and which expressly provides for or requires the consent of, approval of, notice to, or request or direction by, CFC as such (whether referred to as "CFC" or as a "Mortgagee") contained in the 5th and 9th paragraphs of Section 4.06(b) hereof, 2nd paragraph of Section 4.08(b) hereof, Sections 4.12, 4.13. 4.15, 4.17, 4.19, 4.20 and 4.24(a) hereof, Section 5.03 hereof, and Section 7.08 hereof, and with any covenants or agreements which run to CFC (whether referred to as "CFC" or as a "Mortgagee") added by amendment of this Mortgage pursuant to the provisions of Section 7.09 hereof.

(5) Any CFC Class A Noteholder may declare all unpaid principal of, premium, if any, and interest on all outstanding CFC Class A Notes to be due and payable immediately, in the manner described in Section 5.01(aa) hereof if: (i) the Government or any person other than such CFC Class A Noteholder or the trustee shall have duly caused acceleration on account of any of the Notes; or (ii) any of the Events of Default specified in Section 5.01(e) or 5.01(f) hereof shall have occurred at the instance of any person (including the Government) other than such CFC Class A Noteholder or the trustee.

(6) Nothing in this Mortgage contained shall affect or impair the right, which is absolute and unconditional, of any CFC Class A Noteholder to enforce the payment of the principal of, premium, if any, or interest on the CFC Class A Note or Notes held by such CFC Class A Noteholder on the date or dates any such interest, premium or principal shall become due and payable, whether by acceleration or otherwise, in accordance with the terms of such note; provided, however, that no such acceleration shall be effective unless pursuant to this Section 5.02(b).

(c) Notwithstanding the remedial rights of the Government provided for in Section 5.01 hereof, of the 25% Noteholders and the Majority Noteholders provided for in Section 5.02(a) hereof, and of CFC and the CFC Class A Noteholders provided for in Section 5.02(b) hereof, so long as any of the CFC Class B Notes shall be unpaid and outstanding:

(1) Upon the occurence of (i) any Event of Default described in Section 5.01(a) hereof with respect to any CFC Class B Notes, or (ii) any Event of Default described in Section 5.01(e) or 5.01(f) hereof, if the respective Event of Default referred to in either clause (i) or clause (ii) of this Subsection shall not have been cured upon the expiration of 90 days after the initial occurrence of such Event of Default, then CFC may forthwith exercise on behalf of all Noteholders any right or remedy described in Section 5.01 hereof.

(2) If, in the opinion of counsel satisfactory to the Government, the Government may not lawfully act on behalf and for the benefit of all Noteholders other than the Government, CFC shall have the right, immediately upon the happening of an Event or Events of Default and notwithstanding any action taken by the Government thereunder or otherwise, to exercise any right or remedy herein or by law conferred.

(3) Nothing in this Mortgage contained shall affect or impair the right, which is absolute and unconditional, of any CFC Class B Noteholder to enforce the payment of the principal of, premium, if any, or interest on the CFC Class B Note or Notes held by such CFC Class B Noteholder on the date or dates any such interest, premium or principal shall become due and payable whether by acceleration or otherwise, in accordance with the terms of such Note; provided, however, that no such acceleration by any CFC Class B Noteholder shall be effective unless pursuant to this Section 5.02(c).

SECTION 5.03. Notice to Mortgagees of Event of Default. The Mortgagor covenants that it will give immediate written notice to the Mortgagees and to all of the Noteholders of the occurrence of an Event of Default hereunder, or in the event that any right or remedy described in clauses (aa) through (dd) of Section 5.01 hereof is exercised or enforced, or any action is taken to exercise or enforce any such right or remedy. Each Mortgagee covenants that it will give immediate written notice to the other Mortgagees and to all of the Noteholders of the occurrence of an Event of Default hereunder of which it has knowledge or in the event that such Mortgagee exercises or enforces any right or remedy described in said clauses (aa) through (dd), or takes any action to exercise or enforce any such right or remedy.

SECTION 5.04. Right of Noteholders to Bid on Mortgaged Property. At any sale hereunder any Noteholder or Noteholders shall have the right to bid for and purchase the Mortgaged Property, or such part thereof as shall be offered for sale.

SECTION 5.05. 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 and any other sums received by the Mortgagees, the disposition of which is not otherwise herein specifically provided for, shall be applied (except to the extent any Note provides for subordination thereof) first, to the payment of indebtedness hereby secured other than under 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; fourth, to the ratable payment of any and all other amounts payable under the Notes; and the balance, if any, shall be paid to whosoever shall be entitled thereto. Any proceeds or funds collected by the Government under this Mortgage for the account or benefit of, or which are distributable or attributable to, CFC or any holder of a Note other than an REA Note in no event shall be deemed to be moneys received for the use of the United States of America as contemplated by 31 United States Code Annotated § 484 or 31 United States Code Annotated § 495.

SECTION 5.06. 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 here under or now or hereafter existing at law, or in equity, or by statute. The pursuit of any right or remedy hereunder shall not be deemed to be an election and shall not preclude the pursuit of any other right or remedy.

SECTION 5.07. Waiver of Appraisement Rights. 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 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.

SECTION 5.08. Waiver of Default. If at any time after an Event of Default and prior to the institution of foreclosure proceedings, all payments in respect of principal and interest which shall have become due and payable by the terms of the Notes shall be paid to the respective Noteholders, and all other defaults hereunder and under the Notes shall have been cured, together with reimbursement for any resulting expense or damage, to the satisfaction of all the Noteholders, together with interest at the highest legal rate, but not in excess of 10% per annum, then and in every such case, the Mortgagee or Mortgagees who shall have instituted any of the foregoing remedies may, by written notice to the Mortgagor, waive such default or defaults, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

SECTION 5.09. Mortgagee Attorney-in-Fact for Remedies. For purposes of this Article V, to the extent permitted by applicable state law, each Noteholder appoints the Mortgagee or Mortgagees exercising any remedy as above provided as its attorney(s)-in-fact for such purpose.

SECTION 5.10. No Implied Consent to Reorganization. Nothing herein contained shall be deemed to authorize the Mortgagees to authorize or consent to or accept or adopt on behalf of any Noteholder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any holder thereof, or to authorize the Mortgagees to vote in respect of the claim of any Noteholder in any such proceeding.

SECTION 5.11. Enforcement of Rights without Possession of Notes. Any rights of action and claims under this Mortgage or the Notes may be prosecuted and enforced by the Mortgagee or Mortgagees prosecuting and enforcing the same without the possession of any of the Notes or the production thereof in any proceeding relating thereto, and, to the extent permitted by applicable state law, any such proceeding instituted by any Mortgagee shall be brought in its own name as attorney-in-fact for the Noteholders, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Mortgagees, their agents and counsel, be for the ratable benefit of the Noteholders in respect of which such judgment has been recovered.

ARTICLE VI

POSSESSION UNTIL DEFAULT - DEFEASANCE CLAUSE

SECTION 6.01. 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, products and profits thereof or therefrom, subject to the provisions of this Mortgage.

SECTION 6.02. Defeasance. If the Mortgagor shall well and truly pay or cause to be paid the whole amount of the principal of and interest on the Notes at the times and in the manner therein provided, according to the true intent and meaning thereof, and shall also pay or cause to be paid all other sums payable under the REA Loan Agreement and the CFC-Coop Agreements, as amended from time to time, and hereunder by the Mortgagor and shall well and truly keep and perform, according to the true intent and meaning of this Mortgage, all covenants herein required to be kept and peformed by it, then and in that case, all property, rights and interests hereby conveyed or assigned or pledged shall revert to the Mortgagor and the estate, right, title and interest of the Mortgagees and the Noteholders shall thereupon cease, determine and become void and the Mortgagees and the Noteholders, in such case, on written demand of the Mortgagor but at the Mortgagor's cost and expense, shall enter satisfaction of this Mortgage upon the record. In any event, each Noteholder, upon payment in full to him by the Mortgagor of all principal of and interest on any Note held by him and the payment and discharge by the Mortgagor of all charges due to such Noteholder hereunder, shall execute and deliver to the Mortgagor such instrument of satisfaction, discharge or release as shall be required by law in the circumstances.

ARTICLE VII

MISCELLANEOUS

SECTION 7.01. Property Deemed Real Property. It is hereby declared to be the intention of each of the parties hereto that prior to the release of property from the lien of this Mortgage all electric generating plants and appurtenances thereto and all transmission and distribution lines or systems, 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 plants, lines, or systems, and all service and connecting lines, poles, posts, crossarms, wires, cables, conduits, mains, pipes, tubes, transformers, insulators, meters, electrical connections, lamps, fuses, junction boxes and fixtures forming part of, or used in connection with, such plants, lines, or systems, and all other property physically attached to any of the foregoing-described property, shall be deemed to be real property.

SECTION 7.02. Mortgage to Bind and Benefit Successors and Assigns; CFC May Not Assign Rights without Government Consent. 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 the holders of Notes executed and delivered as herein provided. The Mortgagor and each of the Mortgagees hereby agree to execute and deliver such consents, acknowledgments and other instruments as may be reasonably requested by any of the Mortgagees or any Noteholder in connection with any assignment of the rights or interests of any Mortgagee or any Noteholder hereunder or under the Notes. Notwithstanding the foregoing, no sale, assignment or transfer of any CFC Notes, and no assignment of any right or power of CFC hereunder, shall be effective as against the Government or the Mortgagor unless such sale, assignment or transfer shall have been previously approved in writing by the Government; it being understood that no such approval shall be required for or in connection with any assignment, transfer, mortgage, hypothecation or pledge (hereinafter called a "security interest") (i) by CFC of any of the CFC Class A Notes pursuant to the CFC Class A Guaranty Agreements; or (ii) by CFC of any CFC Class B Notes or any right or power of CFC or the CFC Class B Noteholders hereunder in connection with a borrowing by CFC, which security interest provides that the rights and powers of CFC and the CFC Class B Noteholders under the CFC Class B Notes and this Mortgage shall be exercised by the holders thereof or CFC unless and until a default by the CFC exists under the terms governing such security interest and that the restrictions herein contained shall not apply to any sale, assignment, transfer or other disposition pursuant to the terms governing such security interest and shall not apply to any such disposition by any person other than CFC.

SECTION 7.03. Consent of CFC Not Required for Certain Amendments to Mortgage. Notwithstanding any other provisions of this Mortgage, if and when all CFC Class B Notes have been paid and discharged, the consent of CFC or any CFC Class A Noteholder shall not be required for any amendment of this Mortgage for any one or more of the following purposes:

(a) to convey, transfer and assign to the Mortgagees and to subject to the lien of this Mortgage, with the same force and effect as though included in the Granting Clause hereof, additional property;

(b) to add to the covenants of the Mortgagor further covenants, restrictions or conditions for the protection of the holders of the Notes secured hereby, and to make the occurrence, or the occurrence and continuance, of a default in any of such additional covenants, restrictions or conditions a default or an Event of Default permitting the enforcement of any or all of the several remedies provided in this Mortgage as herein set forth; provided, however, that in respect of any such additional covenant, restriction of covenant such amendment may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults, but in no event longer than 30 days) or may provide for an immediate enforcement upon such default or may limit the remedies available to the Mortgagees upon such default;

(c) to increase the amount of the Maximum Debt Limit.

SECTION 7.04. When CFC Guaranty Notes Are Deemed to be Unpaid and Outstanding; Determination of Amounts Unpaid and Outstanding under CFC Guaranty Notes. With respect to any CFC Note which evidences an obligation of the Mortgagor, pursuant to a CFC-Coop Agreement, to reimburse CFC for sums advanced by CFC to a third party or parties for the account of the Mortgagor (such CFC Note being hereinafter called a "CFC Guaranty Note"), no such CFC Guaranty Note shall be deemed to be "unpaid and outstanding" for purposes of determining whether CFC or a holder of such CFC Guaranty Note may exercise or enjoy any right, remedy, power or control under this Mortgage, unless and until there shall have been an advance of funds made by CFC under such CFC Guaranty Note pursuant to such CFC-Coop Agreement. For purposes of determining the principal amount unpaid and outstanding under any CFC Guaranty Note as of any time, only the aggregate of all sums advanced by CFC under such CFC Guaranty Note and remaining unpaid as of the time of such determination shall be included.

SECTION 7.05. Headings. The descriptive headings of the various articles and sections of this Mortgage 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 7.06. Notices. All demands, notices, reports, approvals, designations, or directions required or permitted to be given hereunder shall be in writing and shall be deemed to be properly given if mailed by registered mail addressed to the proper party or parties at the following addresses:

As to the Mortgagor: Corn Belt Power Cooperative
P. O. Box 508
Humboldt, Iowa 50548

As to the Mortgagees: CFC:
National Rural Utilities Cooperative
Finance Corporation
1115 - 30th Street, N.W.
Washington, D. C. 20007

The Government:
Rural Electrification Administration
Washington, D. C. 20250

and as to any other person, firm, corporation or governmental body or agency having an interest herein by reason of being the holder of any Note or otherwise, at the last address designated by such person, firm, corporation, governmental body or agency to the Mortgagor and the Mortgagees. The Mortgagor or the Mortgagees may from time to time designate to each other a new address to which demands, notices, reports, approvals, designations or directions may be addressed and from and after any such designation the address designated shall be deemed to be the address of such party in lieu of the address hereinabove given.

SECTION 7.07. Severability. The invalidity of any one or more phrases, clauses, sentences, paragraphs or provisions of this Mortgage shall not affect the remaining portions hereof, nor shall any such invalidity as to one Mortgagee or as to any Noteholder hereunder affect the rights of any other Mortgagee or any other Noteholder.

SECTION 7.08. 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 Uniform Commercial Code, this Mortgage is hereby deemed a "security agreement" under the Uniform Commercial Code, and a "financing statement" under the Uniform Commercial Code for said security agreement. The mailing addresses of the Mortgagor as debtor, and of the Mortgagees as secured parties, are as set forth in Section 7.06 hereof.

SECTION 7.09. Indemnification by Mortgagor of Mortgagees. The Mortgagor agrees to indemnify and save harmless each of the Mortgagees against any liability or damages which either of them may incur or sustain in the exercise and performance of their powers and duties hereunder. For such rembursement and indemnity, the Mortgagees shall be secured under this Mortgage in the same manner as the Notes and all such reimbursements for expense or damages shall be paid to the Mortgagees incurring or suffering the same with interest at the rate specified in Section 4.09 hereof.

SECTION 7.10. Government to Retain Rights as Mortgagee with respect to Insured Notes. At all times when any Note is held by the Government, or in the event the Government shall assign a Note without having insured the payment of such Note, this Mortgage shall secure payment of such Note for the benefit of the Government or such uninsured holder thereof, as the case may be. Whenever any Note may be sold to an insured purchaser, it shall continue to be considered a "Note" as defined herein, but as to any such insured Note the Government, and not such insured purchaser, shall be considered to be, and shall have the rights of, the Noteholder for purposes of this Mortgage. Notice of the rights of the Government under the preceding sentence shall be set forth in all such insured Notes. As to any Note which may evidence a loan or loans guaranteed pursuant to the Act, the Government, and not the guaranteed lender or lenders, shall be considered to be, and shall have the rights of, the Noteholder for purposes of this Mortgage.

SECTION 7.11. Counterpart Execution. This Mortgage may be simultaneously executed in any number of counterparts, and all said counterparts executed and delivered, each as an original, shall constitute but one and the same instrument.

IN WITNESS WHEREOF, CORN BELT POWER COOPERATIVE, as Mortgagor, has caused this Consolidated Mortgage and Security Agreement to be signed in its name and its corporate seal to be hereunto affixed and attested by its officers hereunto duly authorized, UNITED STATES OF AMERICA, as Mortgagee, has caused this consolidated Mortgage and Security Agreement to be duly executed in its behalf, and NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION, as Mortgagee, has caused this Consolidated 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, all as of the day and year first above written.

CORN BELT POWER COOPERATIVE

(Seal)

by Eugene Drager
President

EUGENE DRAGER

Attest: Harold J. Taylor
Assistant Secretary

HAROLD J. TAYLOR

Executed by the Mortgagor
in the presence of:

W.W. Sullivan

W.W. SULLIVAN

Diane T. Wempen

DIANE T. WEMPEN

Witnesses

UNITED STATES OF AMERICA

by Jack Van Mark
Acting Administrator
of
Rural Electrification Administration

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

Edna Mae Myers

EDNA MAE MYERS

Dorothy J. Saunders

Dorothy J. Saunders

Witnesses

NATIONAL RURAL UTILITIES COOPERATIVES
FINANCE CORPORATION

by Charles B. Gill
Governor
Charles B. Gill

(Seal)

Attest: Ira Shesser
Assistant Secretary Ira Shesser

Executed by National Rural Utilities Cooperative Finance Corporation, Mortgagee, in the presence of:

Phyllis J. Koedel PHYLLIS J. KOEDEL

Sarah L. Dodson
Witnesses
Sarah L. Dodson

STATE OF IOWA)
) SS
COUNTY OF HUMBOLDT)

On this 28 day of August, 1984, before me a Notary Public in and for said County, personally appeared EUGENE DINGEL and HAROLD J. TAYLOR to me personally known, who, being by me duly sworn, did say that they are the President and Secretary, respectively, of CORN BELT POWER COOPERATIVE, a corporation, and that 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 PHILIP A. KNOUF MY COMMISSION EXPIRES 8/19/85

Philip A. Knouf
Notary Public in the State of Iowa

(Notarial Seal)

My commission expires on the 19 day of August, 1985.

DISTRICT OF COLUMBIA) SS

On this 17 day of July, 1984, personally appeared before me Jack Van Mark, who, being by me duly sworn, did say that he is the Acting Administrator of the Rural Electrification Administration, an agency of 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 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.

VICTORIA A. POPOVICH NOTARY PUBLIC DISTRICT OF COLUMBIA

Victoria A. Popovich
Victoria A. Popovich Notary Public
residing at Washington, D. C.

(Notarial Seal)

My commission expires

My Commission Expires May 31, 1988

DISTRICT OF COLUMBIA) SS

On this 24 day of August , 1984 , before me appeared Charles B. Gill to be personally known, who, being by me duly sworn, did say that he is the Governor of National Rural Utilities Cooperative Finance Corporation , a 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 a duly adopted resolution of its board of directors, and he acknowledged to me that said corporation executed the same.

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

Jennifer Taylor

Notary Public Residing at Washington, D.C.

(Notarial Seal)

My commission expires

My Commission Expires November 14, 1988

APPENDIX A

A. OUTSTANDING REA NOTES:

1. Forty-four (44) certain mortgage notes in an aggregate principal amount of $80,969,000, all of which will finally mature on or before July 29, 2018.

2. Four (4) certain mortgage notes, made by the Federal Financing Bank and guaranteed by the REA, in an aggregate principal amount of $50,329,000, all of which will finally mature on or before Agusut 29, 2015.

B. OUTSTANDING CFC CLASS A NOTES:

Note Designation	Note Date	Principal Amount	Final Payment Date
Council Bluff (Series 1977)	December 1, 1977	$1,575,000	30 years from date of note
Salix (Series 1977)	December 1, 1977	$2,375,000	30 years from date of note
Council Bluff Guaranty Note	December 1, 1977	Determined when advances made	On demand
Salix Guaranty Note	December 1, 1977	Determined when advances made	On demand

C. CURRENT REA NOTES:

Principal Amount	Note Date	Interest Rate (per annum)	Final Payment Date
$9,252,000	of even date herewith	5.0%	thirty-five (35) years from the date hereof
$23,583,000	of even date herewith	determined when advanced	December 31, 2017

D. CURRENT CFC CLASS B NOTES:

Principal Amount	Note Date	Interest Rate (per annum)	Final Payment Date
$3,882,000	of even date herewith	Variable	thirty-five (35) years from the date hereof

E. REA MORTGAGE:

Instrument	Date	Mortgagees
Mortgage and Security Agreement	June 25, 1957	Government
Supplemental Mortgage and Security Agreement	January 3, 1969	Government
Supplemental Mortgage and Security Agreement	June 26, 1970	Government
Supplemental Mortgage and Security Agreement	April 27, 1973	Government
Supplemental Mortgage and Security Agreement	March 26, 1976	Government
Supplemental Mortgage and Security Agreement	September 27, 1977	Government
Supplemental Mortgage and Security Agreement	November 1, 1977	Government, CFC

F. MAXIMUM DEBT LIMIT: three hundred million dollars ($300,000,000).

G. REA LOAN AGREEMENT (exclusive of amendments): dated as of February 26, 1947.

H. CFC-COOP AGREEMENTS:

Date
October 15, 1977

I. CURRENT REA LOAN AGREEMENT: dated as of June 29, 1984.

J. CURRENT CFC-COOP AGREEMENT: dated as of June 29, 1984.

K. CFC CLASS A FINANCING AGREEMENTS:

Date
December 1, 1977

L. CFC CLASS A GUARANTY AGREEMENTS:

Date
November 1, 1977

APPENDIX B

A. The electric generating plants and facilities and electric transmission and distribution lines and facilities and other property and property interests referred to in Paragraph I of the Granting Clause are located in the Counties of Adair, Benton, Black Hawk, Bremer, Buchanan, Buena Vista, Butler, Calhoun, Carroll, Cass, Cerro Gordo, Chickasaw, Clay, Crawford, Dallas, Dickinson, Emmett, Floyd, Franklin, Grundy, Hamilton, Hancock, Hardin, Humboldt, Kossuth, Linn, Madison, Marshall, Palo Alto, Plymouth, Pocahontas, Pottawattamie, Sac, Story, Tama, Webster, Woodbury, Winnebago and Wright in the State of Iowa.

B. The other property referred to in Paragraph I of the Granting Clause includes the following:

1. (Humboldt Steam Plant) A certain tract of land described in a certain deed dated June 2, 1948 by C. L. Kramer and Edna L. Kramer as grantors, to the mortgagor, as grantee, and recorded in the office of the Humboldt County Recorder, in the State of Iowa, in Deed Book 128, Page 30 to 40.

   A certain tract of land described in a certain deed dated May 13, 1952 by J. W. Little as grantor, to the mortgagor, as grantee, and recorded in the office of the Humboldt County Recorder, in the State of Iowa, in Deed Book 128, Page 441.

   A certain tract of land described in a certain deed dated November 5, 1952, by K.F. Schroeder as grantor, to the mortgagor, as grantee, and recorded in the office of the Humboldt County Recorder, in the State of Iowa, in Deed Book 128, Page 469.

2. (Wisdom Steam Plant) A certain tract of land described in a certain deed dated April 2, 1958 by Grant S. Lachner and Ruth E. Lachner as grantor, to the mortgagor, as grantee, and recorded in the office of the Clay County Recorder, in the State of Iowa, in Deed Book 33, Page 334.

   A certain tract of land described in a certain deed dated January 21, 1958, by George C. Selzer and Irma V. Selzer as grantor, to the mortgagor, as grantee, and recorded in the office of the Clay County Recorder, in the State of Iowa, in Deed Book 34, Page 541.

   A certain tract of land described in a certain deed dated March 6, 1958 by Henry Carr and Helen Carr as grantor, to the mortgagor, as grantee, and recorded in the office of the Clay County Recorder, in the State of Iowa, in Deed Book 34, Page 560.

3. (Dickens Sub) A certain tract of land described in a certain deed dated May 25, 1945, by Asher F. Dillard and Edna R. Dillard as grantor, to the mortgagor, as grantee, and recorded in the office of the Clay County Recorder, in the State of Iowa, in Deed Book 29, Page 557, except that portion conveyed from Corn Belt to Kenneth F. Brack by Quit Claim Deed dated August 29, 1977.

4. (Dinsdale Sub) A certain tract of land described in a certain deed dated March 18, 1947, by W. J. Breakenridge and S. Edith Breakenridge, as grantor, to the mortgagor, as grantee, and recorded in the office of the Tama County Recorder, in the State of Iowa, in Deed Book 249, Page 491, except that portion conveyed from Corn Belt to Dennis Eller d/b/a Eller's Welding and Machine Works by Quit Claim Deed dated January 21, 1982.

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5. (Galbraith Sub) A certain tract of land described in a certain deed dated April 14, 1945, by William Salisbury and Ella G. Salisbury as grantor, to the mortgagor, as grantee,and recorded in the office of the Kossuth County Recorder, in the State of Iowa, in Deed Book 83, Page 296.

   A certain tract of land described in a certain deed dated January 30, 1946 by Chicago & N.W. R.R.,as grantor to the mortgagor, as grantee, and recorded in the office of the Kossuth County Recorder, in the State of Iowa, in Deed Book 85, Page 18.

   All of the above except that portion conveyed from Corn Belt to Kenneth F. Brack by Quit Claim Deed dated August 29, 1977.

6. (Hampton Substation) A certain tract of land described in a certain deed, dated April 30, 1937, by the Chicago Rock Island & Pacific R.R. as grantor, to the mortgagor, as grantee, and recorded in the office of the Franklin County Recorder, in the State of Iowa, in Deed Book 64, Page 189.

   A certain tract of land described in a certain deed, dated July 23, 1955, by Howard Tidiman and wife as grantors, to the mortgagor, as grantee, and recorded in the office of the Franklin County Recorder, in the State of Iowa, in Deed Book 71, Page 344.

   A certain tract of land described in a certain deed dated August 12, 1941, by William O'Conner and Margaret O'Conner, as grantors, to the mortgagor, as grantee, and recorded in the office of the Franklin County Recorder, in the State of Iowa, in Deed Book 65, Page 165.

   A certain tract of land described in a certain deed, dated February 15, 1956, by A. H. and Miriam B. Marken, as grantors, to the mortgagor, as grantee, and recorded in the office of the Franklin County Recorder, in the State of Iowa, in Deed Book 76, Page 276.

   A certain tract of land described in a certain deed, dated August 15, 1956 by Chicago, Rock Island and Pacific R.R., as grantor, to the mortgagor, as grantee, and recorded in the office of the Franklin County Recorder, in the State of Iowa, in Deed Book 76, Page 439.

   All of the above except that portion conveyed from Corn Belt to Seabee Enterprises by Quit Claim Deed dated December 8, 1975.

7. (Plainfield Sub) A certain tract of land described in a certain deed dated January 9, 1946, by J. Roach Sons, Inc. as grantors, to the mortgagor, as grantee, and recorded in the office of the Bremer County Recorder, in the State of Iowa, in Deed Book 96, Page 596-7, except that portion conveyed from Corn Belt to Seabee Enterprises by Quit Claim Deed dated December 8, 1976.

8. (Pocahontas Sub) A certain tract of land described in a certain deed dated May 19, 1937, by Mary Lang and Frank P. Miller, as grantor, to the mortgagor, as grantee and recorded in the office of the Pocahontas County Recorder in Deed Book 47, Page 379, except that portion conveyed from Corn Belt to Pocahontas Rural Electric Cooperative by Quit Claim Deed dated December 8, 1975.

9. (Sherwood Sub) A certain tract of land described in a certain deed dated June 11. 1945, by Catherine Devine, Thomas Devine and Mary Devine, as grantors, to the mortgagor, as grantee and recorded in the office of the Calhoun County Recorder, in Deed Book 78, Page 273, except that portion conveyed from Corn Belt to Kenneth F. Brack by Quit Claim Deed dated August 29, 1977.

10. (Humboldt Office) A certain tract of land described in a certain deed, dated May 22, 1957, by John T. Crain and Lulu G. Crain as grantors, to the mortgagor, as grantee, and recorded in the office of the Humboldt County Recorder, in the State of Iowa, in Deed Book 144, Page 107.

    A certain tract of land described in a certain deed dated April 23, 1957, by Otto Schafer and Charlotte Schafer as grantors, to the mortgagor, as grantee and recorded in the office of the Humboldt County Recorder, in the State of Iowa, in Deed Book 144, Page 97.

11. (Glidden Microwave Site) A certain tract of land described in a certain deed dated October 3, 1967 by Doyle V. Gymer and Marcia Gymer as Grantors, to the mortgagor, as grantee, and recorded in the office of the Carroll County Recorder, in the State of Iowa, in Deed Book 51, Page 262.

12. (Laurens Microwave Site) A certain tract of land described in a certain deed dated July 28, 1959 by Ray Mather and Katherine Mather as grantors, to the mortgagor, as grantee, and recorded in the office of the Pocahontas County Recorder, in The State of Iowa, in Deed Book 54, Page 330.

13. (Sherwood Microwave Site) A certain tract of land described in a certain deed dated March 4, 1970 by Mason Ross and Daisy Ross as grantors, to the mortgagor, as grantee and recorded in the office of the Calhoun County Recorder, in the State of Iowa, in Deed Book 108, Page 226.

14. (Hampton Warehouse Site) A certain tract of land described in a certain deed, dated July 28, 1966, by Chicago & Northwestern Railway Co., as grantor, to the mortgagor, as grantee, and recorded in the office of the Franklin County Recorder, in the State of Iowa, in Deed Book 36, Page 204.

15. (Cramer Sub) A certain tract of land described in a certain deed, dated July 14, 1971, by Russell H. McKinney and Ella Koester McKinney as grantors, to the mortgagor, as grantee, and recorded in the office of the Grundy County Recroder, in the State of Iowa, in Deed Book 290, Page 491.

16. (Ackley Sub Site) A certain tract of land described in a certain deed, dated July 8, 1963, by Martin and Ita Rameyer and Meinard and Dixie Rameyer as grantors, to the mortgagor, as grantee, and recorded in the office of the Hardin County Recorder, in the State of Iowa, in Deed Book 426, Page 297.

17. (Albert City Substation) A certain tract of land described in a certain deed, dated July 27, 1949, by John W. Akin and Lydia Akin as grantor, to the mortgagor, as granted, and recorded in the office of the Buena Vista County Recorder, in the State of Iowa, in Deed Book 31, Page 421.

18. (Algona Substation) A certain tract of land described in a certain deed, dated October 29, 1951, by Gardner Patterson and Evelyn R. Patterson as grantors, to the mortgagor, as grantee, and recorded in the office of the Kossuth County Recorder, in the State of Iowa, in Deed Book 86, Page 453.

19. (Aplington Substation) A certain tract of land described in a certain deed, dated March 18, 1949, by Hattie Ter Hark and John Ter Hark as grantor, to the mortgagor, as grantee, and recorded in the office of the Grundy County Recorder, in the State of Iowa, in Deed Book 229, Page 227.

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20. (Ayrshire Substation) A certain tract of land described in a certain deed, dated March 16, 1949, by Floyd S. Hill and Mabel A. Hill as grantors, to the mortgagor, as grantee, and recorded in the office of the Palo Alto County Recorder, in the State of Iowa, in Deed Book 38, Page 602.

21. (Belmond Substation) A certain tract of land described in a certain deed, dated May 4, 1949, by Nysco Boelman and Fannie Boelman as grantor, to the mortgagor, as grantee, and recorded in the office of the Wright County Recorder, in the State of Iowa, in Deed Book 81, Page 581.

22. (Boone Valley Substation) A certain tract of land described in a certain deed, dated September 8, 1955, by Carl F. Martin and Bette L. Martin as grantor, to the mortgagor, as grantee, and recorded in the office of the Wright County Recorder, in the State of Iowa, in Deed Book 87, Page 297.

23. (Bradford Sub Site) A certain tract of land described in a certain deed, dated November 16, 1966, by Harry Endres and Margaret Endres as grantor, to the mortgagor, as grantee, and recorded in the office of the Chickasaw County Recorder, in the State of Iowa, in Deed Book 94, Page 26.

24. (Breda Substation) A certain tract of land described in a certain deed, dated August 20, 1952, by Frances Wernimont as grantor, to the mortgagor, as grantee, and recorded in the office of the Carroll County Recorder, in the State of Iowa, in Deed Book 40, Page 464.

25. (Bristow Substation) A certain tract of land described in a certain deed, dated March 19, 1949 by Burdella Schrage as grantor, to the mortgagor, as grantee, and recorded in the office of the Butler County Recorder, in the State of Iowa, in Deed Book 80, Page 183.

26. (Buckeye Substation) A certain tract of land described in a certain deed, dated May 5, 1949 by Claire H. Sielaff Munson as grantor, to the mortgagor, as grantee, and recorded in the office of the Hardin County Recorder, in the State of Iowa, in Deed Book 375, Page 476.

27. (Buck Creek Substation) A certain tract of land described in a certain deed, dated May 25, 1950 by Henry and Malinda Frahm and August and Nora Frahm, as grantors, to the mortgagor, as grantee, and recorded in the office of the Bremer County Recorder, in the State of Iowa, in Deed Book 111, Page 45.

28. (Carrollton Substation) A certain tract of land described in a certain deed, dated August 7, 1952 by Velma and Ernie Lloyd, as grantor, to the mortgagor, as grantee, and recorded in the office of the Carroll County Recorder, in the state of Iowa, in Deed Book 39, Page 510.

29. (Clutier Substation) A certain tract of land described in a certain deed, dated May 7, 1958 by Louis Hosek and Marie Hosek, as grantors, to the mortgagor, as grantee, and recorded in the office of the Tama County Recorder, in the State of Iowa, in Deed Book 286, Page 210.

30. (Conrad Substation) A certain tract of land described in a certain deed, dated June 2, 1949 by S. E., Brace M., W. J., and James A. and Esther Parker as grantors, to the mortgagor, as grantee, and recorded in the office of the Grundy County Recorder, in the State of Iowa, in Deed Book 229, Page 250.

31. (Dakota City Substation) A certain tract of land described in a certain deed, dated May 21, 1949 by Laues Olesen as grantor, to the mortgagor, as grantee, and recorded in the office of the Humboldt County Recorder, in the State of Iowa, in Deed Book 132, Page 103.

32. (Denhart Substation) A certain tract of land described in a certain deed, dated October 16, 1951 by Jacob Krauss, as grantor, to the mortgagor, as grantee, and recorded in the office of the Hancock County Recorder, in the State of Iowa, in Deed Book 59, Page 8.

33. (Duncombe Substation) A certain tract of land described in a certain deed, dated August 14, 1950, by Josephine and C. J. Bittner and J. W. and Ruth Isham Brents as grantors, to the mortgagor, as grantee, and recorded in the office of the Webster County Recorder, in the State of Iowa, in Deed Book 52, page 336.

34. (Eagle Grove Substation & Land) A certain tract of land described in a certain deed, dated August 23, 1944 by Syvert Stockdal, as grantor, to the mortgagor, as grantee, and recorded in the office of the Wright County Recorder, in the State of Iowa, in Deed Book 79, page 260 except that portion conveyed from Corn Belt to Kirby Oil Industries Inc. by Warranty Deed dated November 20, 1969.

35. (East Sheffield Substation) A certain tract of land described in a certain deed, dated May 7, 1951 by George Jung, as grantor, to the mortgagor, as grantee, and recorded in the office of the Franklin County Recorder, in the State of Iowa, in Deed Book 71, page 558.

36. (Eldora Substation) A certain tract of land described in a certain deed, dated May 5, 1949 by Henrecus Lindaman as grantor, to the mortgagor, as grantee and recorded in the office of the Hardin County Recorder, in the State of Iowa, in Deed Book 375, page 476.

37. (Emmetsburg Substation) A certain tract of land described in a certain deed, dated March 16, 1949, by Joseph E. Myers and Mayme Alice Myers as grantors, to the mortgagor, as grantee and recorded in the office of the Palo Alto County Recorder, in the State of Iowa, in Deed Book 38, page 602.

38. (Esmay Substation) A certain tract of land described in a certain deed, dated January 24, 1966, by Helen Streit and Arnold N. Streit as grantor, to the mortgagor, as grantee, and recorded in the office of the Calhoun County Recorder, in the State of Iowa, in Deed Book 101, page 431.

39. (Estherville Substation) A certain tract of land described in a certain deed, dated October 4, 1950, by Harold Woodyard and Irene F. Woodyard as grantors, to the mortgagor, as grantee and recorded in the office of the Emmet County Recorder, in the State of Iowa, in Deed Book 79, page 487.

40. (Fostoria Substation) A certain tract of land described in a certain deed, dated August 9, 1952, by Minnie Goedicke, et al., as grnator, to the mortgagor, as grantee and recorded in the office of the Clay County Recorder, in the State of Iowa, in Deed Book 31, page 614.

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41. (Fredericksburg Substation) A certain tract of land described in a certain deed, dated February 10, 1950, by Egan E. Pahl and Ceola R. Pahl as grantors, to the mortgagor, as grantee and recorded in the office of the Chickasaw County Recorder, in the State of Iowa, in Deed Book 76, page 236.

42. (Garden City Substation) A certain tract of land described in a certain deed, dated May 13, 1949, by C. C. Sampson and Inger Sampson as grantors, to the mortgagor, as grantee and recorded in the office of the Hardin County Recorder, in the State of Iowa, in Deed Book 375, page 483.

43. (Garner Substation) A certain tract of land described in a certain deed, dated May 12, 1949, by Theo Wolfram, Jr. and Rose Wolfram as grantors, to the mortgagor, as grantee and recorded in the office of the Hancock County Recorder, in the State of Iowa, in Deed Book 57, page 175.

44. (Geneva Substation) A certain tract of land described in a certain deed, dated July 31, 1963, by Raymond Ingebritson and Bernice Ingebritson as grantors, to the mortgagor, as grantee, and recorded in the office of the Franklin County Recorder, in the State of Iowa, in Deed Book 80, page 341.

45. (Gilmore City Substation) A certain tract of land described in a certain deed, dated June 20, 1969 by Midwest Limestone Company as grantor, to the mortgagor, as grantee and recorded in the office of the Pocahontas County Recorder, in the State of Iowa, in Deed Book 58, page 328.

46. (Graettinger Substation) A certain tract of land described in a certain deed, dated August 24, 1955, by Henry Lammers and Ina A. Lammers as grantors, to the mortgagor, as grantee, and recorded in the office of the Palo Alto County Recorder, in the State of Iowa, in Deed Book 40, page 382.

47. (Grundy Center Substation) A certain tract of land described in a certain deed, dated May 13, 1956 by Florence Smith Shoemaker and Max Shoemaker as grantors, to the mortgagor, as grantee, and recorded in the office of the Grundy County Recorder, in the State of Iowa, in Deed Book 244, page 213.

48. (Hutchins Substation) A certain tract of land described in a certain deed, dated September 8, 1949, by Orville S. Nelson and Gemima Nelson as grantors, to the mortgagor, as grantee, and recorded in the office of the Hancock County Recorder, in the State of Iowa, in Deed Book 57, page 248.

49. (Industrial Substation) A certain tract of land described in a certain deed, dated September 20, 1966, by Wisdom Sullivan, as grantor, to the mortgagor, as grantee, and recorded in the office of the Clay County Recorder, in the State of Iowa, in Deed Book 39, page 448.

50. (Kesley Substation) A certain tract of land described in a certain deed, dated May 6, 1949, by Roelf O. Wessels and Gertie Wessels, as grantors, to the mortgagor, as grantee, and recorded in the office of the Butler County Recorder, in the State of Iowa, in Deed Book 82, page 203.

51. (Klemme Substation) A certain tract of land described in a certain deed, dated July 7, 1944, by Francis Swalve, as grantor, to the mortgagor, as grantee, and recorded in the office of the Hancock County Recorder, in the State of Iowa, in Deed Book 53, page 548.

52. (Laurens Substation) A certain tract of land described in a certain deed, dated June 18, 1957, by Allen Whitfield and Irma C. Whitfield, as grantors, to the mortgagor, as grantee, and recorded in the office of the Pocahontas County Recorder, in the State of Iowa, in Deed Book 54, page 90.

53. (Ledyard Substation) A certain tract of land described in a certain deed, dated March 30, 1951 by George Hägge and Martha Hägge, as grantors, to the mortgagor, as grantee, and recorded in the office of the Kossuth County Recorder, in the State of Iowa, in Deed Book 86, page 377.

54. (Linn Grove Substation) A certain tract of land described in a certain deed, dated February 25, 1959, by Henry Gensen, as grantor, to the mortgagor, as grantee, and recorded in the office of the Buena Vista County Recorder, in the State of Iowa, in Deed Book 39, page 147.

55. (Marathon Substation) A certain tract of land described in a certain deed, dated November 7, 1967, by Faye E. Olney and Constance P. Kinney, as grantors, to the mortgagor, as grantee, and recorded in the office of the Buena Vista County Recorder, in the State of Iowa, in Deed Book 44, page 204.

56. (Midway Substation) A certain tract of land described in a certain deed, dated November 7, 1969, by Lillie Begemann and Wayne F. Hoeft, as grantors, to the mortgagor, as grantee, and recorded in the office of the Floyd County Recorder, in the State of Iowa, in Deed Book 96, page 326.

57. (Miles Nelsen Substation) A certain tract of land described in a certain deed, dated April 22, 1964 by Harold R. Hughes, as grantor, to the mortgagor, as grantee, and recorded in the office of the Buena Vista County Recorder, in the State of Iowa, in Deed Book 42, page 136.

58. (Milford Substation) A certain tract of land described in a certain deed, dated August 29, 1950, by Emmert C. Ott, as grantors, to the mortgagor, as grantee, and recorded in the office of the Dickinson County Recorder, in the State of Iowa, in Deed Book 22, page 348.

59. (Neal Substation) A certain tract of land described in a certain deed, dated June 30, 1969, by A. C. Brocka and Mary Brocka, as grantors, to the mortgagor, as grantee, and recorded in the office of the Butler County Recorder, in the State of Iowa, in Deed Book

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60. (Odebolt Substation) A certain tract of land described in a certain deed, dated July 27, 1949, by John H. Siebrecht and Hilma Siebrecht as grantors, to the mortgagor, as grantee, and recorded in the office of the Sac County Recorder, in the State of Iowa, in Deed Book 24, page 144.

61. (Osgood Substation) A certain tract of land described in a certain deed, dated March 5, 1965 by Gilbert R. and Evelyn Reeves, as grantors, to the mortgagor, as grantee, and recorded in the office of the Palo Alto County Recorder, in the State of Iowa, in Deed Book 43, page 606.

62. (Pioneer Substation) A certain tract of land described in a certain deed, dated April 20, 1955, by Harry S. Johnson and Clara Johnson, as grantors, to the mortgagor, as grantee, and recorded in the office of the Humboldt County Recorder, in the State of Iowa, in Deed Book 136, page 428.

63. (Packard Substation) A certain tract of land described in a certain deed, dated May 23, 1962, by Mary N. Tack, as grantor, to the mortgagor, as grantee, and recorded in the office of the Butler County Recorder, in the State of Iowa, in Deed Book 91, page 325.

64. (Rinard Substation) A certain tract of land described in a certain deed, dated November 17, 1949 by Harold Bergquist and Alma Bergquist as grantors, to the mortgagor, as grantee, and recorded in the office of the Calhoun County Recorder, in the State of Iowa, in Deed Book 83, page 399.

65. (Ringsted Substation) A certain tract of land described in a certain deed, dated September 5, 1951, by Gerald L. Madden and Lois Madden, as grantors, to the mortgagor, as grantee, and recorded in the office of the Kossuth County Recorder, in the State of Iowa, in Deed Book 86, page 447.

66. (Rockford Substation) A certain tract of land described in a certain deed, dated February 11, 1950, by Wesley C., Ethel, Mary Gauger, Cora M. Gauger Murray, Hulda Gauger, Marie Eyraund, L.W. Eyraud; Ruth and George Aubin; Fern and C.F. Ottinger, as grantors, to the mortgagor, as trantee, and recorded in the office of the Floyd County Recorder, in the State of Iowa, in Deed Book 85, page 107.

67. (Roland Substation) A certain tract of land described in a certain deed, dated October 27, 1965, by Leonard Sampson, Ethel Sampson, et al, as grantors, to the mortgagor, as grantee, and recorded in the office of the Story County Recorder, in the State of Iowa, in Deed Book 98, page 379.

68. (Sac City Substation) A certain tract of land described in a certain deed, dated October 25, 1951, by George E. Mandernach and Rose Mandernach, as grantors, to the mortgagor, as grantee, and recorded in the office of the Sac County Recorder, in the State of Iowa, in Deed Book 24, page 515.

69. (Schaller Substation) A certain tract of land described in a certain deed, dated March 19, 1953, by Mary E. Rininger, Single, as grantor to the mortgage, as grantee, and recorded in the office of the Sac County Recorder, in the State of Iowa, in Deed Book 25, page 336.

70. (Swaledale Substation) A certain tract of land described in a certain deed, dated November 5, 1964, by Else J. Dannen, as grantor, to the mortgagor, as grantee, and recorded in the office of the Cerro Cordo County Recorder, in the State of Iowa, in Deed Book 123, page 731.

71. (Templeton Substation) A certain tract of land described in a certain deed, dated June 26, 1961, by Leo T. Irlbeck and Mary H. Irlbeck, as grantors, to the mortgagor, as grantee, and recorded in the office of the Carroll County Recorder, in the State of Iowa, in Deed Book 26, page 262.

72. (Terril Substation) A certain tract of land described in a certain deed, dated October 3, 1967 by Paul R. Johnson and Gladys Elizabeth Johnson, as grantors, to the mortgagor, as grantee, and recorded in the office of the Dickinson County Recorder, in the State of Iowa, in Deed Book 27, page 475.

73. (Tripoli Substation) A certain tract of land described in a certain deed, dated June 30, 1961, by W. W. Schult and Cleone Schult, as grantors, to the mortgagor, as grantee, and recorded in the office of the Bremer County Recorder, in the State of Iowa, in Deed Book 138, page 340.

74. (Truesdale Substation) A certain tract of land described in a certain deed, dated May 12, 1949, by Adloph Land and Helen Land, as grantors, to the mortgagor, as grantee, and recorded in the office of the Buena Vista County Recorder, in the State of Iowa, in Deed Book 31, page 391.

75. (Wall Lake Substation) A certain tract of land described in a certain deed, dated December 20, 1949, by Delmar Lonning, as grantor, to the mortgagor, as grantee, and recorded in the office of the Wright County Recorder, in the State of Iowa, in Deed Book 84, page 41.

76. (West Sheffield Substation) A certain tract of land described in a certain deed, dated April 29, 1949, by Cora Fischer Sahr, Albert Sahr and Minnie Fischer, as grantors, to the mortgagor, as grantee, and recorded in the office of the Franklin County Recorder, in the State of Iowa, in Deed Book 71, page 322.

77. (Williams Substation) A certain tract of land described in a certain deed, dated June 22, 1950, by Ovidia, Esther J., Florence Bordahl; Geruldine Sandell and James O. Gibson; and Ruben A. and Esther E. Sandell, as grantors, to the mortgagor, as grantee, and recorded in the office of the Hamilton County Recorder, in the State of Iowa, in Deed Book 72, page 600.

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78. (Burt Switching Station) A certain tract of land described in a certain deed, dated August, 1961, by Ray S. McWhorter and Luella McWhorter, as grantors, to the mortgagor, as grantee, and recorded in the office of the Kossuth County Recorder, in the State of Iowa in Deed Book 90, page 497.

A certain tract of land described in a certain deed, dated November 7, 1967, by Ray S. McWhorter and Luella E. McWhorter, as grantors, to the mortgagor, as grantee, and recorded in the office of the Kossuth County Recorder, in the State of Iowa, in Deed Book 99, page 213.

79. (Parkersburg Switching Station) A certain tract of land described in a certain deed, dated February 11, 1949, by Dena Neymeyer as grantor, to the mortgagor, as grantee and recorded in the office of the Butler County Recorder, in the State of Iowa in Deed Book 80, page 142.

A certain tract of land described in a certain deed dated October 8, 1971 by Dena Neymeyer, as grantor, to the mortgagor, as grantee, and recorded in the office of the Butler County Recorder, in the State of Iowa, in Deed Book 103, page 139.

80. (Storm Lake Switching Station) A certain tract of land described in a certain deed, dated February 26, 1959 by Walter L. Dierenfield and LaVerne Deirenfield, as grantors, to the mortgagor, as grantee and recorded in the office of the Buena Vista County Recorder, in the State of Iowa, in Deed Book 39, page 94.

81. (Wallingford Switching Station) A certain tract of land described in a certain deed, dated October 28, 1959, by LeRoy and Selma Olson, as grantors, to the mortgagor, as grantee and recorded in the office of the Emmet County Recorder, in the State of Iowa, in Deed Book 87, page 178.

82. (Wellsburg Substation) A certain tract of land described in a certain deed, dated June 9, 1949, by Lamke, Leonard, George and John Schmidt and Anna Klaus, as grantors, to the mortgagor, as grantee and recorded in the office of the Grundy County Recorder, in the State of Iowa, in Deed Book 229, page 251.

83. (DAEC) A certain tract of land described in a certain deed, dated August 24, 1970, by Iowa Land and Building Co., as grantor to the the mortgagor, as grantee, and recorded in the office of the Linn County Recorder, in the State of Iowa, in Deed Book 1464, page 329.

84. (Plover Substation) A certain tract of land described in a certain deed, dated March 15, 1976, by Jacob B. and Jeane Rittgers as grantors, to the mortgagor, as grantee, and recorded in the office of the Pocahontas County Recorder, in the State of Iowa, in Deed Book 66, page 647.

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85. (Glidden Substation) A certain tract of land described in a certain deed, dated March 18, 1975, by Paul Durrie and Warren and Shirley Clark, as grantors, to the mortgagor, as grantee, and recorded in the office of the Carroll County Recorder, in the State of Iowa, in Deed Book 64, page 186.

86. (Quirin Substation) A certain tract of land described in a certain deed dated April 27, 1976, by Floyd Clausen, as grantor, to the mortgagor, as grantee, and recorded in the office of the Clay County Recorder, in the State of Iowa, in Deed Book 47, page 496.

87. (Superior Substation) A certain tract of land described in a certain deed, dated April 21, 1977, by Chester L. Torreson and Myrtle A. Torreson, as grantors, to the mortgagor, as grantee, and recorded in the office of the Dickinson County Recorder, in the State of Iowa, in Deed Book 40, page 653.

88. (Lacy Substation) A certain tract of land described in a certain deed, dated February 13, 1976, by Vern Lines and Luverne Lines as grantors, to the mortgagor, as grantee, and recorded in the office of the Floyd County Recorder, in the State of Iowa, in Deed Book 101, page 349.

89. (Dows No. 2 Substation) A certain tract of land described in a certain deed, dated August 5, 1976, by Viola, Gordon, Betty, Leonard and Delores Worden as grantors, to the mortgagor, as grantee, and recorded in the office of the Franklin County Recorder, in the State of Iowa, in Deed Book 103, page 16.

90. (Alden Substation) A certain tract of land described in a certain deed, dated August 7, 1974, by Glen B. Shafer Trust as grantor, to the mortgagor, as grantee, and recorded in the office of the Hardin County Recorder, in the State of Iowa, in Deed Book 482, page 646.

91. (Farmland Substation) A certain tract of land described in a certain deed, dated February 27, 1974, by Farmland Foods as grantor, to the mortgagor, as grantee, and recorded in the office of the Hardin County Recorder, in the State of Iowa, in Deed Book 482, page 304.

92. (Pleasant Substation) A certain tract of land described in a certain deed, dated April 23, 1977, by David L. Granzow and Polly A. Granzow, as grantors, to the mortgagor as grantee, and recorded in the office of the Hardin County Recorder, in the State of Iowa, in Deed Book 513, page 322.

93. (Whittemore Substation) A certain tract of land described in a certain deed, dated November 1, 1972, by Carl Sheppard and Duane Sheppard, as grantors, to the mortgagor, as grantee, and recorded in the office of the Kossuth County Recorder, in the State of Iowa, in Deed Book 106, page 24.

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94. (Alexander Substation) A certain tract of land described in a certain deed, dated June 4, 1981 by Clavin C. Schulte and Lola Schulte, as grantors to the mortgagor, as grantee, and recorded in the office of the Franklin County Recorder, in the State of Iowa, in Deed Book 810912, page 00.

95. (Blairsburg Substation) A certain tract of land described in a certain deed, dated August 14, 1979, by Mary Kettaneh, as grantor to the mortgagor, as grantee, and recorded in the office of the Hamilton County Recorder, in the State of Iowa, in Deed Book 96, page 579.

96. (Bode Substation) A certain tract of land described in a certain deed, dated June 12, 1978, by Berdine Nygaard and Mabel Nygaard, as grantors to the mortgagor, as grantee, and recorded in the office of the Humboldt County Recorder, in the State of Iowa, in Deed Book 214, page 434.

97. (Boondocks Substation) A certain tract of land described in a certain deed, dated September 22, 1978, by Gerald Hansel, as grantor to the mortgagor, as grantee, and recorded in the office of the Hamilton County Recorder, in the State of Iowa, in Deed Book 96, page 103.

98. (Conner Substation) A certain tract of land described in a certain deed, dated October 27, 1980, by James F. O'Toole and Julitta J. O'Toole and Larry Lasher and Linda Lasher, as grantors to the mortgagor, as grantee, and recorded in the office of the Carroll County Recorder, in the State of Iowa, in Deed Book 62, page 280.

99. (Cornell Substation) A certain tract of land described in a certain deed, dated March 9, 1983 , by Arlo Gilmore and Eleanor Gilmore, as grantors to the mortgage, as grantee, and recorded in the office of the Clay County Recorder, in the State of Iowa, in Deed Book 57, page 272.

100. (Diamond Lake Substation) A certain tract of land described in a certain deed, dated March 5, 1980, by Roy John Hamann and Edna Hamann, as grantors to the mortgagor, as grantee, and recorded in the office of the Dickinson County Recorder, in the State of Iowa, in Deed Book 43, page 626.

101. (Dover Substation) A certain tract of land described in a certain deed, dated April 14, 1980, by Floyd Neilsen and J.P. Highberger, as grantors to the mortgagor, as grantee, and recorded in the office of the Pocahontas County Recorder, in the State of Iowa, in Deed Book 69, page 302.

102. (Dumont Substation) A certain tract of land described in a certain deed, dated July 1, 1980, by Clarence J. Sweiter and Bonnie M. Sweiter, as grantors to the mortgagor, as grantee, and recorded in the office of the Butler County Recorder, in the State of Iowa, in Deed Book 117, page 8.

103. (Eagle Substation) A certain tract of land described in a certain deed, dated December 19, 1979, by Myrtle Larsen and Harvey C. Larsen, as grantors to the mortgagor, as grantee, and recorded in the office of the Kossuth County Recorder, in the State of Iowa, in Deed Book 121, page 54.

104. (East Substation) A certain tract of land described in a certain deed, dated September 16, 1977, by Hermon Vogel, as grantor to the mortgagor, as grantee, and recorded in the office of the Calhoun County Recorder, in the State of Iowa, in Deed Book 122, page 594.

105. (Galt Substation) A certain tract of land described in a certain deed, dated July 24, 1973, by Tyrrell Farms, Inc., as grantors to the mortgagor, as grantee, and recorded in the office of the Wright County Recorder, in the State of Iowa, in Deed Book 102, page 493.

106. (Horton Substation) A certain tract of land described in a certain deed, dated December 6, 1979, by Maurice Dooley, as grantor to the mortgagor, as grantee, and recorded in the office of the Bremer County Recorder, in the State of Iowa, in Deed Book 250, page 268.

107. (Lawler Substation) A certain tract of land described in a certain deed, dated April 6, 1982, by Feilden J. Monroe and Harriet Monroe, as grantors to the mortgagor, as grantee, and recorded in the office of the Chickasaw County Recorder, in the State of Iowa, in Deed Book 126, page 182.

108. (Liberty Substation) A certain tract of land described in a certain deed, dated July 31, 1979, by Dale L. Reichardt, as grantor to the mortgagor, as grantee, and recorded in the office of the Hancock County Recorder, in the State of Iowa, in Deed Book 81, page 110.

109. (Maple Valley Substation) A certain tract of land described in a certain deed, dated October 12, 1977, by Gerald Stille and Carolyn Stille, Irene & Henry Stille and Irene Stille as Power of Attorney, as grantors to the mortgagor, as grantee, and recorded in the office of the Buena Vista County Recorder, in the State of Iowa, in Deed Book 50, pages 48 and 49.

110. (Oakwood Substation) A certain tract of land described in a certain deed, dated July 6, 1981, by Julius Huxsol and Ruth Huxol and Malcom McGregor and Patricia McGregor, as grantors to the mortgagor, as grantee, and recorded in the office of the Floyd County Recorder, in the State of Iowa, in Deed Book 107, pages 265 and 266.

111. (Shell Rock Substation) A certain tract of land described in a certain deed, dated October 27, 1978, by Seigfried Reints, as grantor to the mortgagor, as grantee, and recorded in the office of the Butler County Recorder, in the State of Iowa, in Deed Book 114, page 188.

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112. (Douglas Substation) A certain tract of land described in a certain deed, dated July 24, 1975, by Clayton Myers and Gusta Myers, as grantors, to the mortgagor, as grantee, and recorded in the office of the Sac County Recorder, in the State of Iowa, in Deed Book 33, page 449.

113. (Lakeview Substation) A certain tract of land described in a certain deed, dated April 19, 1977, by Llbyd F. Heindenreich and Colleen J. Heidenreich, as grantors to the mortgagor, as grantee, and recorded in the office of the Sac County Recorder, in the State of Iowa, in Deed Book 35, page 361.

114. (Union Substation) A certain tract of land described in a certain deed, dated May 27, 1983, by Leslie A. Clampitt and Kay Clampitt, as grantors to the mortgagor, as grantee, and recorded in the office of the Hardin County Recorder, in the State of Iowa, in Deed Book 568, pages 486 and 487.

115. (Hampton Service Center) A certain tract of land described in a certain deed, dated February 19, 1980, by Leona Barrick, as grantor, to the mortgagor, as grantee, and recorded in the office of the Franklin County Recorder, in the State of Iowa, in Deed Book 800264, page --.

116. (Twin Lakes Substation) A certain tract of land described in a certain deed, dated June 15, 1983, by Everett A. Powers and Verna C. Powers, as grantors, to the mortgagors, as grantee, and recorded in the office of Calhoun County Recorder, in the State of Iowa, in Deed Book 110, page 69.

117. (Lake Cornelia Substation) A certain tract of land described in a certain deed, dated September 9, 1983, by H & T, Inc., as grantors, to the mortgagors, as grantee, and recorded in the office of Wright County Recorder, in the State of Iowa, in Deed Book 119, page 477.

118. (Hicks Substation) A certain tract of land described in a certain deed, dated October 5, 1983, by the Claire M. Kennedy Living Trust, (Claire M. Kennedy, Trustee), as grantors, to the mortgagors, as grantee, and recorded in the office of Grundy County Recorder, in Deed Book 366, page 156.

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119. (Neal #4) An undivided 4.861% interest and ownership in a certain tract or parcel of land situated in Woodbury County, State of Iowa, described as follows:

All that part of Lots Four (4), Five (5) and Six (6), and the North Half of the Southeast Quarter (N½-SE¼) of Section Thirty One (31), Township Eighty Seven (87) North, Range Forty Seven (47) West and all that part of Section, Five (5) and Six (6), Township Eighty Six (86) North, Range Forty Seven (47) West of the Fifth (5th) Principal Meridian, Woodbury County, Iowa, described as beginning at the Northeast corner of said Section 6-86-47, thence South 87° 29' 48" East along the North line of Section 5-87-47 1696.88 feet to the centerline of the Brown's Lake Outlet easement to State of Iowa (Conservation Commission) recorded in Miscellaneous Records, Book 143, Pages 45 and 46, Woodbury County Recorder's Office, thence South 11° 03' 03" West 1736.23 feet along said centerline, thence South 53° 30' 50" West 1788.42 feet along said centerline to the end of said Outlet, thence continuing South 53° 30' 50" West 642.61 feet to a point on U.S. C., of E. R-O-W line, thence North 55° 34' 06" West along said R-O-W line 1322.05 feet to U.S. C. of E. monument RW-S8A, thence North 50° 56' 30" West 770.39 feet to RW S-7, thence North 50° 46' 30" West 481.87 feet to RW S-6, thence North 17° 16' 30" West 231.41 feet to RW S-5A, thence leaving U.S. C. of E. R-O-W line, West 372.98 feet, thence North 39° 11' 20" West 1522.45 feet, thence North 18° 45' 15" West 227.06 feet, thence North 38° 21' 00" West 233.71 feet, thence North 89° 39' 04" West 132.72 feet, thence North 38° 23' 32" West 6.02 feet to MC-8A, thence North 24° 39' 30" West 75.64 feet to MC-8, thence North 27° 51' 30" West 468.26 feet to MC-7A, thence leaving MC line North 80° 20' 30" East 2126.44 feet, thence North 0° 10' 00" East 1246.81 feet to the center of said Section 31-87-47, thence North 80° 23' 00" East 2651.34 feet to the East Quarter (E¼) corner of said Section 31-87-47, thence South 01° 06' 00" West 2648.10 feet to the Point of Beginning, subject to easements for Public Roads and lake outlet.

and

A tract of land situated in Section Thirty-one (31), being accretion to Lot Four (4), Section Thirty-one (31), Township Eighty-seven (87) North, Range Forty-seven (47) West of the 5th P.M., Woodbury County, Iowa, bounded on the north by the extension westerly of the north line of said Lot Four (4), bounded on the east by the left bank line and the abandoned channel of the Missouri River, bounded on the south by the north line of Tract One Hundred-twenty (120), Snyder-Winnebago Complex, and bounded on the west by the Missouri River.

6-5215

120. (Council Bluffs #3) An undivided 3.8% interest and ownership in a certain tract or parcel of land situated in Pottawattamie County, State of Iowa, described as follows:

A parcel of land located in part of the SE ¼ SW ¼, part of the SW ¼ SE ¼, part of the SE ¼ SE ¼, all in Section 19, Township 74, Range 43; all of the East ½ of Section 30, Township 74, Range 43; lying West of the West right-of-way of Interstate Route 29; part of the NE ¼ NW ¼, part of the SE ¼ NW ¼, part of the NE ¼ SW ¼, part of the SE ¼ SW ¼, part of the SW ¼ SW ¼, all in Section 30, Township 74, Range 43; the land in the West ½ of said Sections 19 and 30, being in Council Bluffs, Pottawattamie County, Iowa, and the land in the East ½ of said Sections 19 and 30 being in Pottawattamie County, Iowa, said parcel is more fully described as follows: Commencing at the Southeast corner of Section 30, Township 74, Range 43 West; thence N 89° 19' 38" W, a distance of 290.22 feet along the South line of said Section 30 to the Westerly right-of-way of Interstate Route 29 and the point of beginning; thence N 89° 19' 38" W, a distance of 2346.58 feet along the South line of said Section 30 the South ¼ corner of said Section 30; thence N 89° 19' 38" W, a distance of 2091.99 feet along the South line of the Section 30 to the established channel of the Missouri River; thence N 10° 01' 12" W, a distance of 435.50 feet along the established channel of the Missouri River to the centerline of Mosquito Creek Drainage Ditch No. 22; thence N 44° 41' 48" E, a distance of 1742.14 feet along said Creek centerline; thence along a curve concave Northwesterly, having a central angle of 28° 04' 00" and a radius of 716.20 feet, a chord bearing and distance of N 30° 39' 48" E, 347.32 feet; thence N 16° 37' 48" E, a distance of 568.63 feet along said Creek centerline; thence along a curve concave Westerly having a central angle of 9° 54' 00" and a radius of 2715.30 feet, a chord bearing and distance of N 11° 40' 48" E, 468.57 feet, thence N 6° 43' 48" E, a distance of 507.28 feet along said Creek centerline; thence along a curve concave Easterly, having a central angle of 3° 59' 00" and a radius of 5879.08 feet, a chord bearing and distance of N 8° 43' 18" E, 408.65 feet; thence N 10° 42' 48" E, a distance of 1455.78 feet along said Creek centerline; thence along a curve concave Westerly, having a central angle of 17° 40' 00" and a radius of 996.40 feet a chord bearing and distance of N 1° 52' 48" E, 306.01 feet; thence N 6° 57' 12" W, a distance of 258.63 feet along said Creek centerline to the centerline of a County road as projected; thence N 66° 52' 38" E, a distance of 325.63 feet along said road centerline; thence N 76° 04' 40" E, a distance of 347.13 feet along said road centerline; thence S 88° 50' 09" E, a distance of 451.56 feet along said raod centerline thence S 62° 49' 22" E, a distance of 784.47 feet along said road centerline; thence S 4° 49' 24" W, a distance of 33.90 feet along right-of-way of relocated County road; thence S 62° 29' 22" E, a distance of 196.21 feet along said road right-of-way; thence S 41° 31' 18" E, a distance of 70.19 feet along said road right-of-way; thence S 55° 34' 15" E, a distance of 223.25 feet along said road right-of-way; thence S 70° 04' 56" E, a distance of 292.98 feet along said road right-of-way to the West right-of-way of Interstate Route 29; thence S 0° 18' 03" W, a distance of 1201.54 feet

along West right-of-way of said Interstate Route 29; thence S 4° 05' 57" W, a distance of 200.40 feet along said Interstate 29 right-of-way; thence S 0° 11' 56" W, a distance of 3002.66 feet along said Interstate 29 right-of-way thence S 4° 23' 40" E, a distance of 200.73 feet along said Interstate 29 right-of-way; thence S 1° 02' 40" E, a distance of 635.62 feet along said Interstate 29 right-of-way; thence S 11° 05' 15" E, a distance of 126.09 feet along said Interstate 29 right-of-way to the point of beginning. Parcel contains 416.41 acres more or less, and is subject to right-of-way for Mosquito Creek Drainage Ditch No. 22, and is subject to right-of-way for a County road on the North side thereof. Parcel is also subject to right-of-way for the Pony Creek Drainage Ditch.

TOGETHER WITH all plants, works, structures, erections, reservoirs, dams, buildings, fixtures and improvements now or hereafter located on any of the properties conveyed by any and all of the aforesaid deeds mentioned above, and all tenements, hereditaments and appurtenances now or hereafter thereunto belonging or in any wise appertaining.

The description of each of the properties conveyed by and through the provisions of the aforesaid deeds is by reference made a part hereof as though fully set forth at length herein.