

TITLE TO REAL ESTATE

INSTRUMENT filed by the United States of America (hereinafter called the "Government") pursuant to section 7 of Act No. 1152 of the General Assembly of South Carolina, 1940, approved May 16, 1940 (hereinafter called the "Act").

WHEREAS, Laurens Electric Cooperative, Inc., (hereinafter called the "Cooperative") filed an application in the office of the State Rural Electrification Authority (hereinafter called the "Authority") dated the 10th day of September, 1940, for the transfer of part or parts of the Authority System, pursuant to the Act; and

WHEREAS, by agreement (hereinafter called the "Agreement") between the Cooperative and the Authority dated as of the 26th day of September, 1940, pursuant to section 4 of the Act, the amount of the outstanding funded indebtedness of the Authority to be assumed by the Cooperative in connection with the transfer has been determined to be \$91,456.34; and

WHEREAS, such outstanding funded indebtedness of the Authority so to be assumed by the Cooperative is a part of the outstanding funded indebtedness of the Authority evidenced in part by its first mortgage 3% bond dated February 4, 1936, in the principal amount of \$542,328 and in part by its first mortgage 2.88% bond dated November 15, 1937, in the principal amount of \$265,000. (hereinafter called the "Bonds"); and

WHEREAS, the Government is the holder of the Bonds;

NOW, THEREFORE, WITNESSETH:

The Government hereby discharges the Authority from any obligation to pay \$91,456.34 of the outstanding funded indebtedness of the Authority evidenced by the Bonds; and the Government hereby agrees that the assumption, pursuant to the Agreement, by the Cooperative of such part of the outstanding funded indebtedness of the Authority and the transfer to the Cooperative of the part or parts of the Authority System described in the Agreement shall have the effect provided in section 9 of the Act, provided, however, that it is the purpose and intention of this instrument that the lien of the Indenture, or any supplements thereto, heretofore given by the Authority to the Government as security for the Bonds shall continue in full force and effect upon the part or parts of the Authority System described in the Agreement as security for said sum of \$91,456.34 assumed or agreed to be assumed by the Cooperative.

IN WITNESS WHEREOF the United States of America has caused this instrument to be duly executed this 20th day of September, 1940.

UNITED STATES OF AMERICA

BY: Harry Slattery
Administrator
of

Rural Electrification Administration.

*Revised 2.85am. Bk. 1383 pg 598 Dec 27, 1989
Orig. 1382 pg 876*

Recorded October 17, 1940 at 9 A. M. #14579 BY: E.G.

MEMORANDUM OF AGREEMENT, dated as of the 26th day of September, 1940, by and between the STATE RURAL ELECTRIFICATION AUTHORITY (hereinafter called the "Authority"), created pursuant to the State Rural Electrification Authority Act of South Carolina, and the Laurens Electric Cooperative, Inc., (hereinafter called the "Cooperative"), a corporation organized and existing under the laws of South Carolina.

W I T N E S S E T H :

WHEREAS, THE Cooperative filed in the office of the Secretary of the Authority an application (hereinafter referred to as the "Application") for the transfer of certain part or parts of the Authority System (hereinafter called the "System"), dated the 10th day of September, 1940, pursuant to Act No. 1152 of the General Assembly of the State of South Carolina, 1940, approved May 14, 1940, (hereinafter referred to as the "Act"); and

WHEREAS, THE Authority desires in according with the Act to transfer to the Cooperative, and the Cooperative desires to acquire, the part or parts of the System hereinafter described and the Authority desires to be discharged from, and the Cooperative is willing to assume, that part of the outstanding funded indebtedness of the Authority as hereinafter specified;

NOW, THEREFORE, the Authority and the Cooperative agree as follows:

1. The part or parts of the System to be transferred to the Cooperative pursuant to the Application is described as follows:

Laurens O.F.; That certain electric distribution line situated in Laurens County and beginning at a metering station along South Carolina State Highway No. 252 nine and five tenths (9.5) miles west of Laurens, South Carolina, and nine (9.0) miles northeast of Ware Shoals, South Carolina; thence in a southeasterly direction five and one tenth (5.1) miles to South Carolina