

INDENTURE *for Mortgage Extension Statement*
made by and between *See R. E. M. Book 358, Page 114*
BLUE RIDGE ELECTRIC COOPERATIVE, INC.
and

THE SOUTH CAROLINA NATIONAL BANK OF CHARLESTON, as Trustee
Dated as of January 25, 1941

INDENTURE, dated as of January 25, 1941, made by and between BLUE RIDGE ELECTRIC COOPERATIVE, INC. (hereinafter called the " Corporation"), a cooperative, non-profit, membership corporation organized and existing under the laws of the State of South Carolina, and THE SOUTH CAROLINA NATIONAL BANK OF CHARLESTON (hereinafter called the " Trustee"), a banking corporation organized and existing under the laws of United States of America.

WHEREAS, the Corporation has determined to borrow funds from United States of America (hereinafter called the " Government") under and pursuant to the Rural Electrification Act of 1936, as amended, for its lawful corporate purposes and, to that end, has duly authorized, executed and delivered its mortgage note (hereinafter called the " First Note" to the Government, to be secured by an indenture of mortgage and deed of trust in the terms hereof of the property hereinafter described: and

WHEREAS, the First Note is of even date herewith, in the principal amount of four hundred seventeen thousand dollars (\$417,000), is payable to the order of the Government, at the United States Treasury, Washington, D. C., bears interest at the rate of 2.46 per centum per annum, and provides for the accumulation of the interest accruing on the First Note for the first thirty (30) months after the date thereof (hereinafter called the " accumulated interest"), and that thereafter and until a date forty-eight (48) months after the date thereof interest on the unpaid accumulated interest and on the unpaid principal thereof shall become due and payable on the twenty-fifth day of each month, and provides further for payments thereafter on the twenty-fifth day of each month commencing with a date forty-nine (49) months after the date thereof, to be applied first to the payment of current interest on the accumulated interest and current interest on the principal thereof, then on account of the accumulated interest and, after the payment thereof in full, to the payment on account of the principal thereof, which payments will be in amounts calculated to be sufficient to pay and discharge the principal of the First Note within twenty-five (25) years after the date thereof, at which time the unpaid principal of the First Note, if any, shall become due and payable; and

WHEREAS, the Corporation has applied, pursuant to Act No. 1152, enacted by the Legislature of the State of South Carolina and approved by the Governor of said State on May 15, 1940, for the transfer of part or parts of the electric transmission and distribution system of the State Rural Electrification Authority of the State of South Carolina (hereinafter called the " Authority"), and may from time to time apply for the transfer of additional part or parts thereof, and in connection with such transfer or transfers may, pursuant to said Act, assume part or parts of the indebtedness of the Authority to the Government, and in connection with the assumption of such indebtedness may issue from time to time one or more additional notes to evidence such part or parts of the indebtedness of the Authority so assumed by the Corporation, and it is also contemplated that additional notes shall from time to time be executed and delivered by the Corporation to the Government to evidence loans made by the Government to the Corporation pursuant to the Rural Electrification Act of 1936, as from time to time amended (additional notes issued to evidence such part or parts of the indebtedness of the Authority so assumed by the Corporation, and additional notes issued to evidence such loans made by the Government to the Corporation being hereinafter called the " additional notes"); and

WHEREAS, it is also contemplated that from time to time the Corporation may execute and deliver to the holder or holders of outstanding notes secured hereby notes to refund such outstanding notes, or in renewal thereof, or in substitution therefor, all to be secured hereby (the First Note, the additional notes, and notes executed and delivered to refund, or in renewal of, or substitution for, any outstanding note or notes being hereinafter sometimes collectively called the " notes");

NOW, THEREFORE, THIS INDENTURE WITNESSETH that, 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 Indenture and to declare the terms and conditions upon which the notes are to be secured, the Corporation, in consideration of the premises, has executed and delivered this Indenture, and has granted, bargained, sold, conveyed, warranted, assigned, transferred, pledged, and set over, and by these presents does hereby grant, bargain, sell, convey, warrant, assign, transfer, pledge, and set over, unto the Trustee, and its successor or successors in the trust hereby created, and its and their assigns, all and singular the following-described property (hereinafter sometimes collectively

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