

successors and its or their assigns forever, in trust nevertheless for the uses and purposes and upon the trusts, terms, provisos and agreements expressed and declared in the Indenture.

2. The Outstanding Notes are hereby confirmed as notes of the Corporation executed and delivered under and pursuant to the Indenture and entitled to the security of the Indenture, as supplemented by this Supplemental Indenture, and of the property by the Indenture and this Supplemental Indenture mortgaged and pledged, or intended so to be, equally and ratably with one another and with other notes of the Corporation when and as executed and delivered under and pursuant to the Indenture, without preference, priority or distinction of any one of such Outstanding Notes or other notes over any other thereof and irrespective of the dates of the execution, delivery, or maturity thereof.

3. The third "Whereas" clause of the Indenture, defining the terms "additional notes" and "notes", is hereby amended to read as follows, so that the terms "additional notes" and "notes", as used in the Indenture, in this Supplemental Indenture and in any further amendments or supplements hereto or to the Indenture, shall be understood in the sense in which they are defined below:

WHEREAS, it is 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, and to evidence such part or parts of the indebtedness to the Government of the State Rural Electrification Authority of the State of South Carolina (hereinafter called the "Authority") as the Corporation may from time to time assume (additional notes issued to evidence such loans made by the Government to the Corporation, and additional notes issued to evidence such part or parts of the indebtedness of the Authority so assumed by the Corporation being hereinafter called "additional notes"), and 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 notes/notes being hereinafter sometimes collectively called the "notes");

4. The description of the property embraced in the "Trust Estate", as set forth in the Indenture, is hereby amended by deleting paragraph V thereof, and also that part of paragraph VI thereof reading: "and except that property of the nature hereinabove in paragraph V described shall become subject to the lien hereof only at the time therein provided:".

5. The Indenture is hereby amended by inserting the words "or the assignment or negotiation thereof" after the words "or maturity thereof", at page 5 of the Indenture in the paragraph commencing "In Trust, Nevertheless," so that said paragraph shall read as follows:

IN TRUST, NEVERTHELESS, for the equal and proportionate use, benefit, and security of all and singular the person or persons, or body or bodies politic or corporate, who or which shall from time to time be the holder or holders of notes, and to secure the payment of the principal of and interest on the notes, according to their tenor and effect, without preference, priority, or distinction as to lien or otherwise of any note^{over} or any other note by reason of priority in time of the execution, delivery, or maturity thereof, or the assignment or negotiation thereof, and to secure the performance of the covenants, agreements, and provisions herein contained, and for the uses and purposes and upon the terms, conditions, provisos, and agreements hereinafter expressed and declared.

6. Section 1 of article 1 of the Indenture is hereby amended by inserting after the words "as from time to time amended", at the end of the first sentence of said section, the additional clause, "and to evidence such part or parts of the indebtedness of the Authority as the Corporation may from time to time assume", and also by inserting, after the words "execution, delivery, or maturity thereof" in the fourth sentence of said section, the additional words "or the assignments or negotiation thereof", so that section 1 of article 1 of the Indenture shall read as follows:

Section 1. The Corporation, when authorized by resolution or resolutions of its board of directors, may from time to time execute and deliver to the Government one or more additional notes to evidence loans made by the Government to the Corporation pursuant to the Rural Electrification Act of 1936, as from time to time amended, and to evidence such part or parts of the indebtedness of the Authority as the Corporation may from time to time assume. The Corporation, when authorized by resolution or resolutions of its board of directors, may also from time to time execute and deliver one or more notes to refund any note or notes at the time outstanding and secured hereby, or in renewal of, or substitution for any such outstanding note or notes. Additional notes and refunding, renewal and substituted notes shall contain such provisions and shall be executed and delivered upon such terms and conditions as the board