

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, Blue Ridge Electric Cooperative, Inc. (hereinafter called the "Cooperative"), a cooperative, non-profit, membership corporation existing under the laws of the State of South Carolina, has heretofore executed and delivered to United States of America (hereinafter called the "Government"), nine (9) certain notes (hereinafter collectively called the "Outstanding Notes"), each payable to the order of the Government, and each being dated, in the principal amount, and having a final maturity date as hereinafter specified, to wit:

Note	Date	Principal Amount	Final Maturity Date
First Note	January 25, 1941	\$41,000.00	January 25, 1966
Second Note	May 10, 1941	325,457.10	May 10, 1964
Third Note	October 15, 1941	80,000.00	October 15, 1966
Fourth Note	June 5, 1942	40,000.00	June 5, 1967
Fifth Note	July 5, 1944	50,000.00	July 5, 1969
Sixth Note	March 5, 1946	190,000.00	March 5, 1981
Seventh Note	June 15, 1946	160,000.00	June 15, 1981
Eighth Note	January 30, 1947	724,000.00	January 30, 1982
Ninth Note	July 27, 1949	170,000.00	July 27, 1984; and

WHEREAS, by the terms of a certain agreement (hereinafter called the "Basis Date Agreement"), dated as of January 30, 1949 by and between the Corporation and the Government, the portion, if any, of the principal amount of the eighth note of the Outstanding Notes advanced on or after the date of the Basis Date Agreement is or will be payable in quarterly installments on or before 35 years from the date of the Basis Date Agreement; and

WHEREAS, by the terms of a certain agreement (hereinafter called the "Pace Act Extension Agreement"), dated as of April 12, 1948, by and between the Corporation and the Government, the unmatured and unpaid portion of the principal amount of each of the 1,2,3,4 and 5 of the Outstanding Notes advanced prior to the date of the Pace Act Extension Agreement is payable in quarterly installments on or before 35 years from the date of each such note, and the portion, if any, of the principal amount of each such note advanced on or after the date of the Pace Act Extension Agreement is or will be payable in quarterly installments on or before 35 years from the date of the Pace Act Extension Agreement; and

WHEREAS, to secure the Outstanding Notes, a certain indenture of deed of trust, dated as of January 30, 1947, (hereinafter called the "Mortgage"), has heretofore been made by and between the Cooperative and The South Carolina National Bank of Charleston (hereinafter called the "Trustee"), as trustee; and

WHEREAS, the Mortgage has heretofore been duly filed for record or indexed as a mortgage of personal property in the appropriate offices in the Counties of Anderson, Greenville, Oconee and Pickens, in the State of South Carolina; and

WHEREAS, the Government is on the date hereof the holder of the Outstanding Notes; and

WHEREAS, Russell P. Fischer is duly authorized by the Administration of the Rural Electrification Administration to execute this statement on behalf of the Government, said Administrator being charged by law on behalf of the Government with the administration of all matters pertaining to loans of the nature secured by the Mortgage, and is also duly authorized by the Trustee, as trustee under the Mortgage;