

MAIL: Charles L. Compton P.O. Box 249, LAURENS S.C. 29360

FILED GREENVILLE S.C. SUPPLEMENTAL MORTGAGE AND SECURITY AGREEMENT, dated as of 11-23-73, 1977, made by and among LAURENS ELECTRIC

COOPERATIVE, INC. (hereinafter called the "Mortgagor"), a corporation existing under the laws of the State of South Carolina, UNITED STATES OF AMERICA (hereinafter called the "Government") acting through the Administrator of the Rural Electrification Administration (hereinafter called "REA"), and COLUMBIA BANK FOR COOPERATIVES (hereinafter called the "Bank"), a corporation existing under the laws of South Carolina (the Government and the Bank being hereinafter sometimes collectively called the "Mortgagees").

WHEREAS, the Mortgagor has heretofore borrowed funds from the Government, acting through the Administrator of REA, pursuant to a loan contract or amending loan contract identified in the tenth recital hereof (hereinafter called the "Instruments Recital") by and between the Mortgagor and the Government (said loan contract, as it may have been amended prior to the date of the REA concurrent loan agreement referred to below, being hereinafter called the "Prior REA Loan Agreement") and has duly authorized and executed, and delivered to the Government, certain mortgage notes all payable to the order of the Government, in installments, of which the mortgage notes (hereinafter collectively called the "Outstanding REA Notes") identified in the Instruments Recital are now outstanding and held by the Government; and

WHEREAS, the Outstanding REA Notes are secured by the security instruments (hereinafter collectively called the "REA Mortgage") made by the Mortgagor to the Government identified in the Instruments Recital; and

WHEREAS, the Mortgagor, the Government and the Bank desire to add the Bank as a secured party under the REA Mortgage and further desire to amend, supplement and consolidate the REA Mortgage; and

WHEREAS, under the provisions of the Act and other applicable law, the Administrator of REA is authorized to amend, supplement and consolidate the REA Mortgage as herein provided; and

WHEREAS, the changes in the REA Mortgage which the parties thereto and hereto desire now to effect make advisable the consolidating and restating of each of the instruments constituting the REA Mortgage in its entirety.

NOW, THEREFORE, this Supplemental Mortgage and Security Agreement

WITNESSETH:

That each of the instruments constituting the REA Mortgage is hereby amended, supplemented and consolidated to read in its entirety from and after the date of execution of this Supplemental Mortgage and Security Agreement (the REA Mortgage, as amended, supplemented and consolidated hereby, being herein called "this Mortgage") as follows:

WHEREAS, the Mortgagor has determined to borrow additional funds from the Government pursuant to an REA concurrent loan agreement, identified in the Instruments Recital, amending the Prior REA Loan Agreement (said agreements, as they may from time to time be amended or supplemented, being hereinafter called the "REA Loan Agreement") and has accordingly duly authorized, executed and delivered to the Government its mortgage note or notes (identified in the Instruments Recital and hereinafter collectively called the "Concurrent REA Note(s)") to be secured by this Mortgage of the property hereinafter described; and

WHEREAS, the Mortgagor now owns electric transmission and distribution lines and other facilities identified in the Property Schedule contained in the granting clause hereof (hereinafter called the "Existing Electric Facilities"); and

WHEREAS, it is contemplated that the Outstanding REA Notes and the Concurrent REA Note(s) shall be secured hereby, as well as additional notes and refunding, renewal and substitute notes (hereinafter collectively called the "Additional REA Notes") which

Form - Orig. Common REA-Bank Elec. Mtg. 2-4268

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REA Designation: SOUTH CAROLINA, 19AA7 LAURENS

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