

20090422000147580 1/12 \$45.00
Shelby Cnty Judge of Probate, AL
04/22/2009 11:49:06AM FILED/CERT

RUS PROJECT DESIGNATION:

ALABAMA 33-Y8 ST. CLAIR

SUPPLEMENTAL MORTGAGE

made by and among

COOSA VALLEY ELECTRIC COOPERATIVE, INC.
69220 Alabama Highway 77
Talladega, Alabama 35160,

Mortgagor, and

UNITED STATES OF AMERICA
Rural Utilities Service
Washington, D.C. 20250-1500,

Mortgagee, and

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION
2201 Cooperative Way
Herndon, Virginia 20171-3025,

Mortgagee

Dated as of March 2, 2009

THIS INSTRUMENT GRANTS A SECURITY INTEREST IN A UTILITY.
THE DEBTOR AS MORTGAGOR IS A UTILITY.
THIS INSTRUMENT CONTAINS PROVISIONS THAT COVER REAL AND PERSONAL PROPERTY, FIXTURES, AFTER-ACQUIRED PROPERTY, PROCEEDS, FUTURE ADVANCES AND FUTURE OBLIGATIONS.
THIS INSTRUMENT WAS PREPARED BY TERENCE M. BRADY, ASSISTANT GENERAL COUNSEL, AS ATTORNEY FOR UNITED STATES DEPARTMENT OF AGRICULTURE, RURAL UTILITIES SERVICE, WASHINGTON, D.C. 20250-1500.
THE MORTGAGOR DOES NOT HAVE AN ORGANIZATIONAL IDENTIFICATION NUMBER.

No. 5

Generated: February 19, 2009

restmort.v1h 12/3/98 v5.74 w/ UCC-1 revisions

SUPPLEMENTAL MORTGAGE, dated as of March 2, 2009 (hereinafter sometimes called this "Supplemental Mortgage"), is made by and among COOSA VALLEY ELECTRIC COOPERATIVE, INC. (hereinafter called the "Mortgagor"), a corporation existing under the laws of the State of Alabama, and the UNITED STATES OF AMERICA acting by and through the Administrator of the Rural Utilities Service (hereinafter called the "Government") and NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION (hereinafter called "CFC"), a corporation existing under the laws of the District of Columbia, and is intended to confer rights and benefits on both the Government and CFC, in accordance with this Supplemental Mortgage and the Original Mortgage (hereinafter defined) (the Government and CFC being hereinafter sometimes collectively referred to as the "Mortgagees").

RECITALS

WHEREAS, the Mortgagor, the Government and CFC are parties to that certain Restated Mortgage and Security Agreement (the "Original Mortgage" as identified in Schedule "A" of this Supplemental Mortgage) originally entered into among the Mortgagor, the Government acting by and through the Administrator of the Rural Utilities Service (hereinafter called "RUS"), and CFC; and

WHEREAS, the Original Mortgage as the same may have been previously supplemented, amended or restated is hereinafter referred to as the "Existing Mortgage"; and

WHEREAS, the Mortgagor deems it necessary to borrow money for its corporate purposes and to issue its promissory notes and other debt obligations therefor, and to mortgage and pledge its property hereinafter described or mentioned to secure the payment of the same, and to enter into this Supplemental Mortgage pursuant to which all secured debt of the Mortgagor hereunder shall be secured on parity, hereunder and under the Existing Mortgage (this Supplemental Mortgage and the Existing Mortgage, hereinafter sometimes collectively referred to as the "Mortgage"); and

WHEREAS, all of the Mortgagor's Outstanding Notes listed in Schedule "A" hereto are secured pari passu by the Existing Mortgage for the benefit of all of the Mortgagees under the Existing Mortgage; and

WHEREAS, the Existing Mortgage provides the terms by which additional pari passu obligations may be issued thereunder and further provides that the Existing Mortgage may be supplemented from time to time to evidence that such obligations are entitled to the security of the Existing Mortgage and to add additional Mortgagees; and

WHEREAS, by their execution and delivery of this Supplemental Mortgage the parties hereto do hereby secure the Additional Notes listed in Schedule "A" pari passu with the Outstanding Notes under the Existing Mortgage; and

WHEREAS, all acts necessary to make this Supplemental Mortgage a valid and binding legal instrument for the security of such notes and obligations under the terms of the Mortgage, have been in all respects duly authorized;

Now, Therefore, This Supplemental Mortgage Witnesseth: That to secure the payment of the principal of (and premium, if any) and interest on all Notes and all Notes issued hereunder according to their tenor and effect, and the performance of all provisions therein and herein contained, and in consideration of the covenants herein contained and the purchase or guarantee of Notes by the guarantors or holders thereof, the Mortgagor has mortgaged, pledged and granted a continuing security interest in, and by these presents does hereby grant, bargain, sell, alienate, remise, release, convey, assign, transfer, hypothecate, pledge, set over and confirm, pledge, and grant a continuing security interest in for the purposes hereinafter expressed, unto the Mortgagees all property, rights, privileges and franchises of the Mortgagor of every kind and description, real, personal or mixed, tangible and intangible, of the kind or nature specifically mentioned herein or any other kind or nature, except any Excepted Property, set forth in

the Existing Mortgage, owned or hereafter acquired by the Mortgagor (by purchase, consolidation, merger, donation, construction, erection or in any other way) wherever located, including (without limitation) all and singular the following:

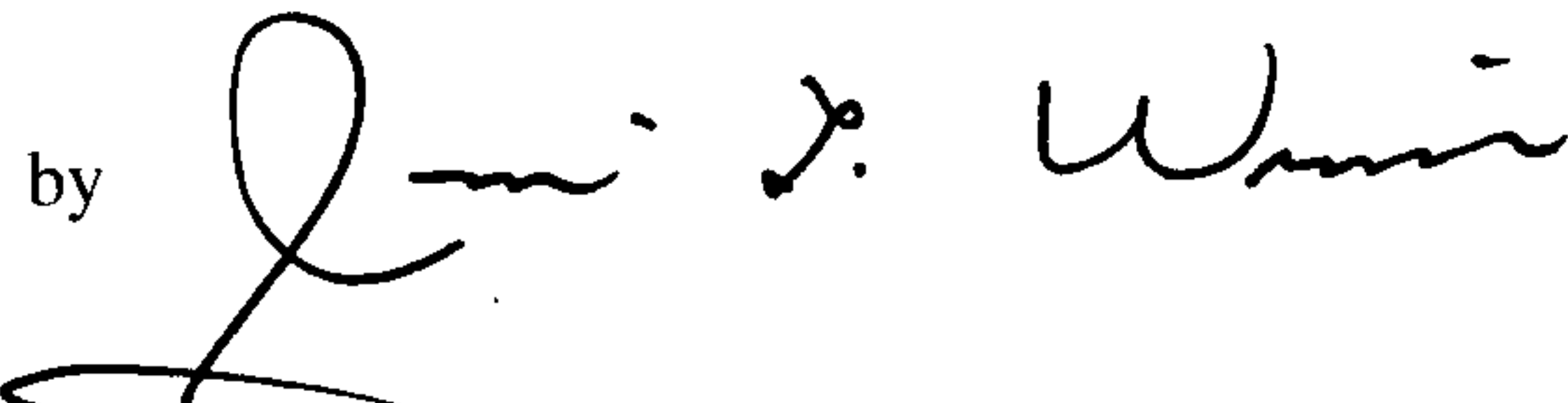
- A. all of those fee and leasehold interests in real property set forth in Schedule "B" hereto, subject in each case to those matters set forth in such Schedule; and
- B. all of those fee and leasehold interests in real property set forth in Schedule "B" of the Existing Mortgage or in any restatement, amendment or supplement thereto, subject in each case to those matters set forth in such Schedule; and
- C. all of the kinds, types or items of property, now owned or hereafter acquired, described as Mortgaged Property in the Existing Mortgage or in any restatement, amendment or supplement thereto as Mortgaged Property.

It is further Agreed and Covenanted That the Original Mortgage, as previously restated, amended or supplemented, and this Supplement shall constitute one agreement and the parties hereto shall be bound by all of the terms thereof and, without limiting the foregoing.

- 1. All capitalized terms not defined herein shall have the meaning given in Article I of the Existing Mortgage.
- 2. This Supplemental Mortgage is one of the Supplemental Mortgages contemplated by Article II of the Original Mortgage.
- 3. The Maximum Debt Limit for the Mortgage shall be as set forth in Schedule "A" hereto.

IN WITNESS WHEREOF, COOSA VALLEY ELECTRIC COOPERATIVE, INC., as Mortgagor, has caused this Supplemental Mortgage to be signed in its name and its corporate seal to be hereunto affixed and attested by its officers thereunto duly authorized, UNITED STATES OF AMERICA, as Mortgagee and NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION, as Mortgagee, have each caused this Supplemental Mortgage to be signed in their respective names by duly authorized persons, all as of this day and year first above written.

COOSA VALLEY ELECTRIC COOPERATIVE, INC.

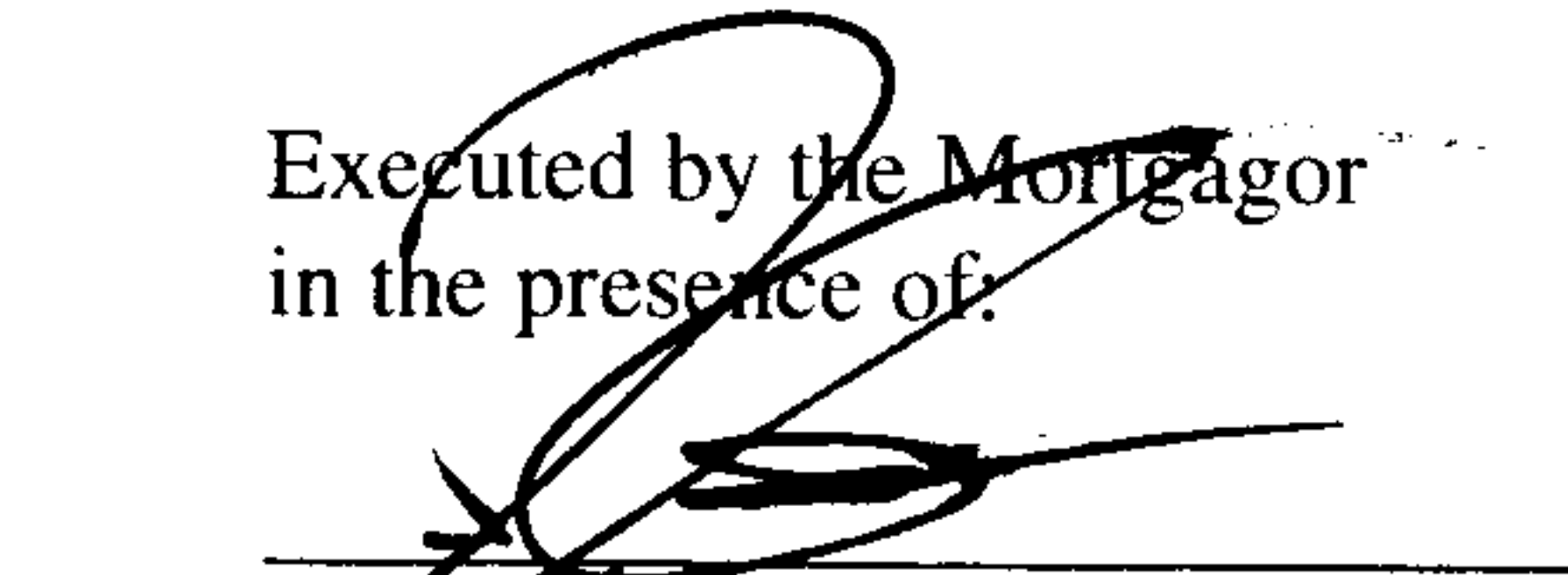

by  , President

(Seal)

Attest:


Secretary

Executed by the Mortgagor
in the presence of:

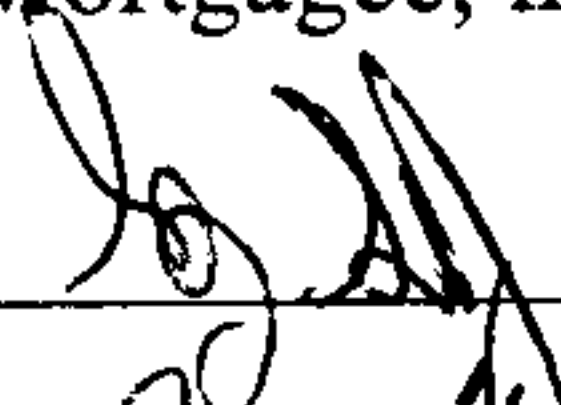


Witnesses

UNITED STATES OF AMERICA

by

Acting Assistant Administrator
Electric Program
of the
Rural Utilities Service

Executed by United States of America,
Mortgagee, in the presence of:



William Wallace

Witnesses



20090422000147580 6/12 \$45.00
 Shelby Cnty Judge of Probate, AL
 04/22/2009 11:49:06AM FILED/CERT

STATE OF ALABAMA

Talladega COUNTY

)
) SS
)

I, *CONNIE M. REEVES*, a Notary Public in and for said County in said
 State, hereby certify that *JIM L. WINN*
 and *Howard Carmichael*, whose names as President and Secretary,
 respectively, of COOSA VALLEY ELECTRIC COOPERATIVE, INC., a corporation, are signed to the foregoing
 instrument and who are known to me, acknowledged before me this day that, being informed of the contents of the
 instrument, they as such officers and with full authority, executed the same voluntarily for and as the act of said
 corporation.

Given under my hand this *24th* day of *March*, 20*09*.

Connie M. Reeves

 Notary Public

(Notarial Seal)

My commission expires:

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
 MY COMMISSION EXPIRES: Aug 5, 2009
 BONDED THRU NOTARY PUBLIC UNDERWRITERS

DISTRICT OF COLUMBIA

)

SS

20090422000147580 7/12 \$45.00
Shelby Cnty Judge of Probate, AL
04/22/2009 11:49:06AM FILED/CERT

On this 4th day of MARCH, 2009, personally appeared before me NIVIN A. ELGOHARY, who, being duly sworn, did say that ~~he~~^{ACTING} is the Assistant Administrator - Electric Program of the Rural Utilities Service, an agency of the United States of America, and acknowledged to me that, acting under a delegation of authority duly given and evidenced by law and presently in effect, ~~he~~ executed said instrument as the act and deed of the United States of America for the uses and purposes therein mentioned.

IN TESTIMONY WHEREOF I have heretofore set my hand and official seal the day and year last above written.

James F. Mothershed

Notary Public

JAMES F. MOTHERSHED

(Notarial Seal)

My commission expires: March 14, 2010.

NATIONAL RURAL UTILITIES COOPERATIVE
FINANCE CORPORATION

by DW **DAVID W. OLAH**

Assistant Secretary-Treasurer

(SEAL)

Attest: Kristin Haneberg Kristin Haneberg
Assistant Secretary-Treasurer

Executed by the above-named, Mortgagee, in the
presence of:

Paula Kramp **PAULA KRAMP**
Elaine M. MacDonald **ELAINE M. MACDONALD**
Witnesses

COMMONWEALTH OF VIRGINIA)

) SS

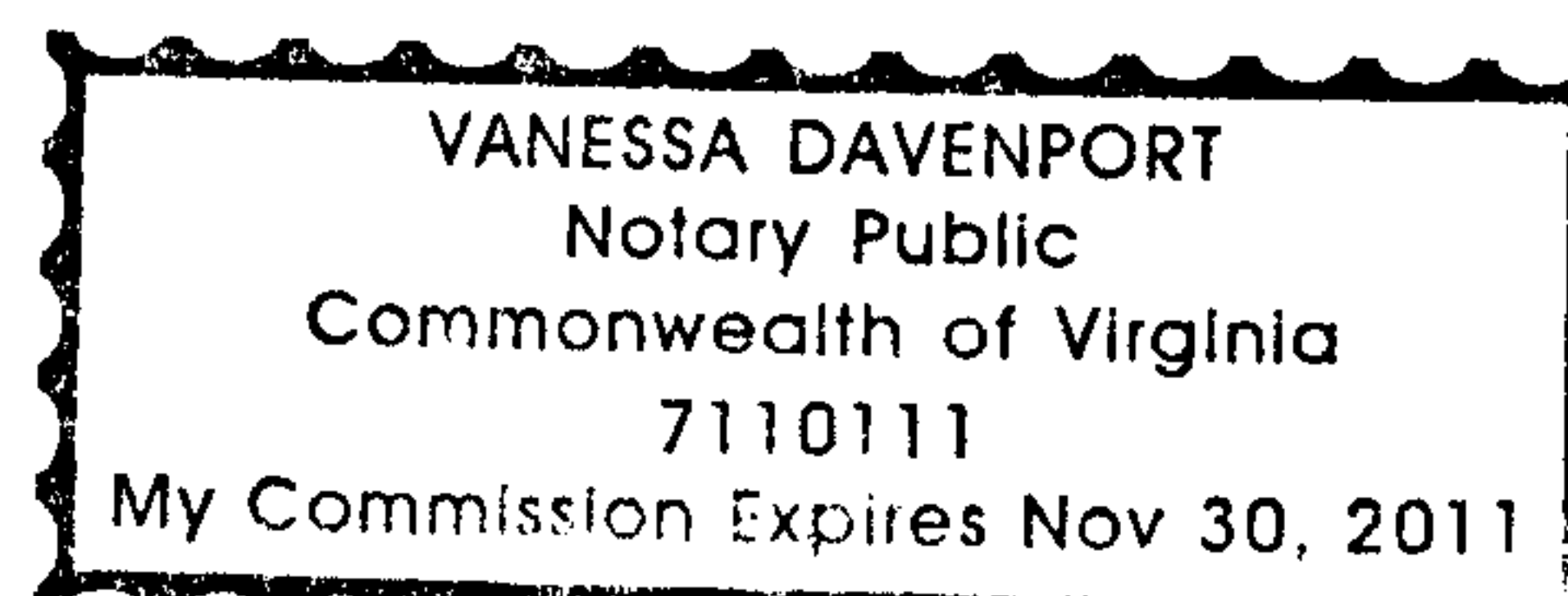
COUNTY OF FAIRFAX)

On this 16th day of March, 20 09, before me appeared
DAVID W. OLAH, to me personally known, who, being by me
duly sworn, did say that he is the ASSISTANT SECRETARY-TREASURER of the National Rural Utilities
Cooperative Finance Corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said
corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of
directors and said ASSISTANT SECRETARY-TREASURER acknowledged said instrument to be the free act and
deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Vanessa Davenport
Notary Public

(Notarial Seal)



My commission expires: _____

Supplemental Mortgage Schedule A - Part One

Maximum Debt Limit and Other Information

1. The Maximum Debt Limit is \$88,000,000.00.
2. The Original Mortgage as referred to in the first WHEREAS clause above is more particularly described as follows:

Instrument Title

Instrument Date

Restated Mortgage and Security Agreement

November 1, 2004

3. The Outstanding Notes referred to in the fourth WHEREAS clause above that are Government Notes are more particularly described as follows:

<u>Loan Designation</u>	<u>Face Amount</u>	<u>Date</u>	<u>Final Maturity</u>	<u>% Rate¹</u>
K6	\$362,000.00	13 Nov 1974	13 Nov 2009	5.00
L6	\$698,000.00	16 Aug 1977	16 Aug 2012	5.00
M6	\$490,000.00	18 Mar 1980	18 Mar 2015	5.00
N6	\$924,000.00	18 Jun 1982	18 Jun 2017	5.00
R6	\$1,588,000.00	3 May 1988	3 May 2022	5.00
S6	\$1,215,000.00	30 Jan 1990	30 Jan 2025	5.00
T6	\$3,176,000.00	27 Oct 1992	27 Oct 2027	5.00
U42	\$4,270,000.00	5 Jul 1994	5 Jul 2029	5.00
V61	\$6,391,000.00	27 Feb 1996	27 Feb 2031	V
W14 ²	\$9,800,000.00	1 May 2000	1 May 2035	CFC
X44	\$19,481,000.00	1 Nov 2004	1 Nov 2039	V

¹V=variable interest rate calculated by RUS pursuant to title 7 of the Code of Federal Regulations or by the Secretary of Treasury. CFC=an interest rate which may be fixed or variable from time to time as provided in the CFC Loan Agreement pertaining to a loan which has been made by CFC and guaranteed by RUS. CoBank=an interest rate which may be fixed or variable from time to time as provided in the CoBank Loan Agreement pertaining to a loan which has been made by CoBank and guaranteed by RUS.

²In addition to this note which the Mortgagor has issued to CFC, the Mortgagor has also issued a corresponding promissory note to RUS designated as the certain "Reimbursement Note" bearing even date therewith. Such Reimbursement Note is payable to the Government on demand and evidences the Mortgagor's obligation immediately to repay RUS, any payment which RUS may make pursuant to the RUS guarantee of such CFC note, together with interest, expenses and penalties (all as described in such Reimbursement Note). Such Reimbursement Note is an "Additional Note issued to the Government" for purposes of this Part One of Schedule A of this Supplemental Mortgage and is entitled to all of the benefits and security of the Mortgage.

4. The Additional Notes described in the sixth WHEREAS clause above are more particularly described as follows:

<u>Loan Designation</u>	<u>Face Amount</u>	<u>Date</u>	<u>Final Maturity</u>	<u>% Rate</u> ³
Y8 ⁴	\$24,637,000.00	2 Mar 2009	31 Dec 2043	V

³See footnote 1 in this Schedule A.

⁴In addition to this note which the Mortgagor has issued to FFB, the Mortgagor has also issued a corresponding promissory note to RUS designated as the certain "Reimbursement Note" bearing even date therewith. Such Reimbursement Note is payable to the Government on demand and evidences the Mortgagor's obligation immediately to repay RUS, any payment which RUS may make pursuant to the RUS guarantee of such FFB note, together with interest, expenses and penalties (all as described in such Reimbursement Note). Such Reimbursement Note is an "Additional Note issued to the Government" for purposes of this Part One of Schedule A of this Supplemental Mortgage and is entitled to all of the benefits and security of the Mortgage.

SCHEDULE A: Part Two

The outstanding secured obligations of the Mortgagor referred to in the fourth WHEREAS clause above are evidenced by the Original Notes described below:

ORIGINAL NOTES issued to CFC

<u>CFC Loan Designation</u>	<u>Face Amount of Note</u>	<u>Note Date</u>	<u>Maturity Date</u>
AL033-C-9003	\$155,000.00	11/13/1974	11/13/2009
AL033-C-9007	\$299,000.00	08/16/1977	08/16/2012
AL033-C-9008	\$221,000.00	03/18/1980	03/18/2015
AL033-C-9009	\$417,000.00	06/18/1982	06/18/2017
AL033-C-9010	\$701,031.00	05/03/1988	05/03/2022
AL033-C-9011	\$542,708.00	01/30/1990	01/30/2025
AL033-C-9012	\$1,432,632.00	10/27/1992	10/27/2027
AL033-A-9013	\$1,797,872.00	10/26/1993	10/26/2028
AL033-V-9017	\$3,800,000.00	04/27/1999	04/27/2039
AL033-U-9018	\$9,800,000.00	05/01/2000	05/01/2035
AL033-LUM-3000-FM001	\$1,383,958.90	07/02/2007	12/31/2030
AL033-LUM-3001-FM001	\$935,665.05	07/02/2007	12/31/2030
AL033-LUM-3002-FM001	\$2,454,685.50	07/02/2007	06/30/2035

20090422000147580 12/12 \$45.00
Shelby Cnty Judge of Probate, AL
04/22/2009 11:49:06AM FILED/CERT

Supplemental Mortgage Schedule B

Property Schedule

THIS PAGE INTENTIONALLY HAS BEEN LEFT BLANK