


MORT 1355 796
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Billy Atkinson
Probate Judge
Talladega County, AL


20110314000082590 1/13 \$49.00
Shelby Cnty Judge of Probate, AL
03/14/2011 12:48:58 PM FILED/CERT

**SUPPLEMENTAL MORTGAGE
AND
SECURITY AGREEMENT**

Made by and among

COOSA VALLEY ELECTRIC COOPERATIVE
PO Box 837
Talladega, Alabama 35160
Mortgagor, and

UNITED STATES OF AMERICA
Rural Utilities Service
Washington, D.C. 20250
Mortgagee
and

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

CoBANK, ACB
5500 South Quebec Street
Greenwood Village, Colorado 80111
Mortgagee

Dated as of December 10, 2010

**THIS INSTRUMENT GRANTS A SECURITY INTEREST IN A TRANSMITTING UTILITY
THE DEBTOR AS MORTGAGOR IS A TRANSMITTING UTILITY
THIS INSTRUMENT CONTAINS PROVISIONS THAT COVER REAL AND PERSONAL PROPERTY, AFTER-
ACQUIRED PROPERTY, PROCEEDS, FUTURE ADVANCES AND FUTURE OBLIGATIONS
THIS INSTRUMENT WAS PREPARED BY STEPHEN TICK, SHERMAN & HOWARD L.L.C., 633 17TH STREET,
SUITE 3000, DENVER, COLORADO 80202
THE MORTGAGOR'S ORGANIZATIONAL IDENTIFICATION NUMBER IS 730-566**

Talladega County - 88%
Calhoun County - 5%
Shelby County - 4%
St. Clair County - 3%

SUPPLEMENTAL MORTGAGE

SUPPLEMENTAL MORTGAGE AND SECURITY AGREEMENT, dated as of December 10 2010 (hereinafter sometimes called this "Supplemental Mortgage") is made by and among **COOSA VALLEY ELECTRIC COOPERATIVE** (hereinafter called the "Mortgagor"), a corporation existing under the laws of the State of Alabama, the **UNITED STATES OF AMERICA**, acting by and through the Administrator of the Rural Utilities Service (hereinafter called the "Government"), **NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION** (hereinafter called "CFC"), and **CoBANK, ACB** (hereinafter called "CoBank"), a federally chartered instrumentality of the United States, and is intended to confer rights and benefits on the Government, CFC and CoBank in accordance with this Supplemental Mortgage and the Original Mortgage (hereinafter defined) (the Government, CFC and CoBank 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, as supplemented, amended or restated (the "Original Mortgage" as identified in Schedule "A" of this Supplemental Mortgage) originally entered into between 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, as it may have been previously amended or supplemented, hereinafter may be called collectively 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 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 Mortgages, and

Whereas, by their execution and delivery of this Supplemental Mortgage the parties hereto do hereby secure the Additional Note listed in Schedule "A" *pari passu* with the Outstanding Notes under the Existing Mortgage and do hereby add CoBank as a Mortgagee and a secured party 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, subject to 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 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 on Schedule "C" hereof, whether now owned or hereafter acquired by the Mortgagor (by purchase, consolidation, merger, donation, construction, erection or in any other way) and 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 Original 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 Original Mortgage or in any restatement, amendment to supplement thereto as Mortgaged Property.

It is Further Agreed and Covenanted That the Original Mortgage, as previously restated, amended or supplemented, and this Supplemental Mortgage 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 Original 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**, as Mortgagor, and **UNITED STATES OF AMERICA**, as Mortgagee, **NATIONAL RURAL UTILITIES COOPERATIVE FINANCE, INC.**, as Mortgagee and **CoBANK, ACB**, as Mortgagee, have each caused this Supplemental Mortgage to be signed in their respective names by duly authorized persons, all as of the day and year first written above.

COOSA VALLEY ELECTRIC COOPERATIVEBy:
Its:

[Signature]
[Signature]

(seal)

Attest:

Secretary

Executed by the Mortgagor in the presence of:

[Signature]
[Signature]
Witnesses

STATE OF ALABAMA)

) SS

COUNTY OF TALLADEGA)

I, CONNIE M. REEVES, a Notary Public of in and for the County and State aforesaid, do hereby certify that Leland M. Fuller, personally known to me to be the Manager of **COOSA VALLEY ELECTRIC COOPERATIVE**, a corporation of the State of Alabama, and to me known to be the identical person whose name is as Manager of said corporation, subscribed to the foregoing instrument, appeared before me this day in person and produced the foregoing instrument to me in the County aforesaid and acknowledged that as such Manager he/she signed the foregoing instrument pursuant to authority given by the board of directors of said corporation as his/her free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the uses and purposes therein set forth and that the seal affixed to the foregoing instrument is the corporate seal of said corporation.

Given under my hand this 13th day of December, 2010.

Connie M. Reeves
Notary Public
In and for Talladega County, Alabama


(Notary Seal)

My Commission expires: _____

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: July 6, 2013
BONDED THRU NOTARY PUBLIC UNDERWRITERS

COBANK, ACB

By:
Its:


Assistant Corporate Secretary

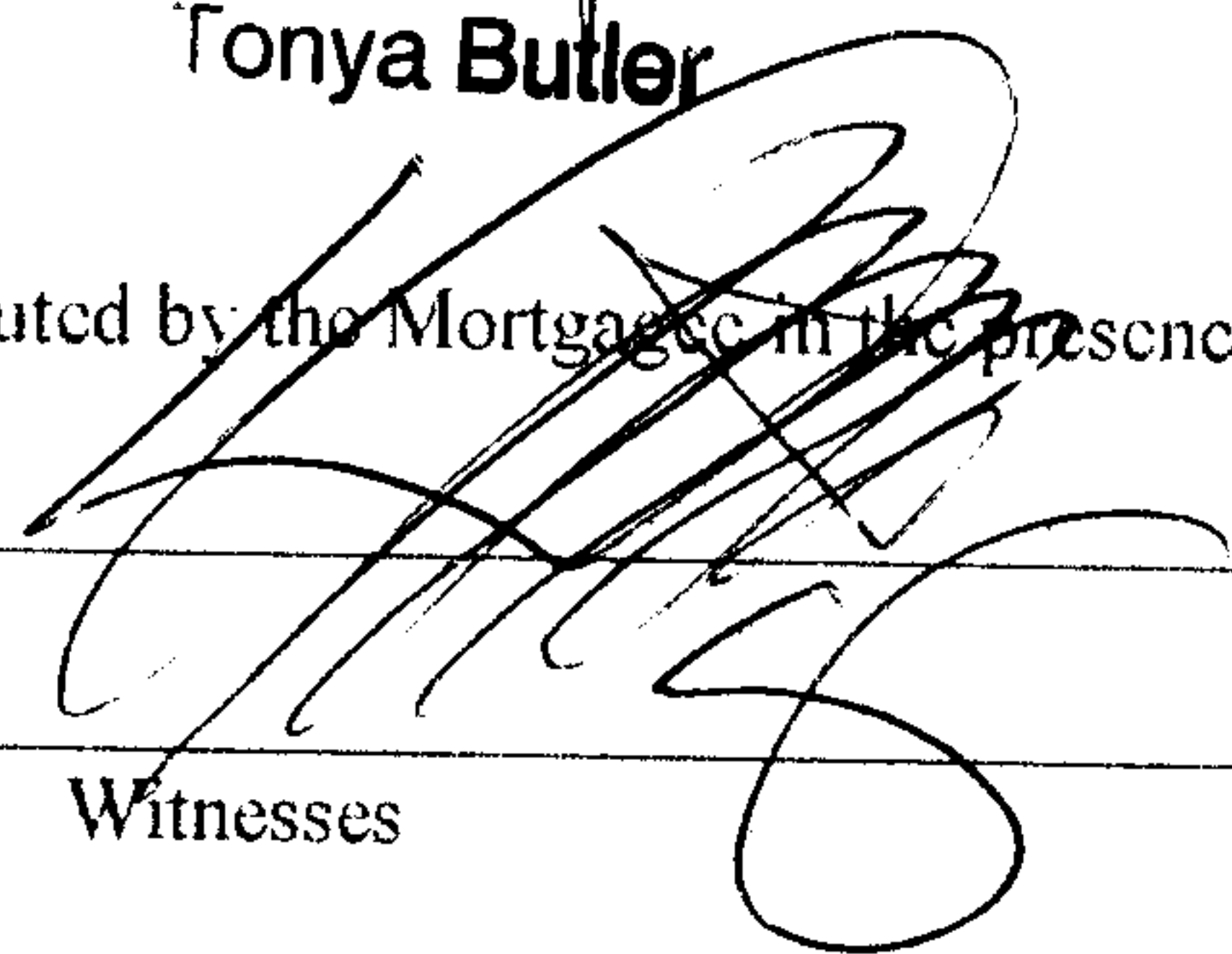
(seal)

Attest:


Assistant Secretary

Tonya Butler

Executed by the Mortgagee in the presence of:


Witnesses

STATE OF COLORADO

)

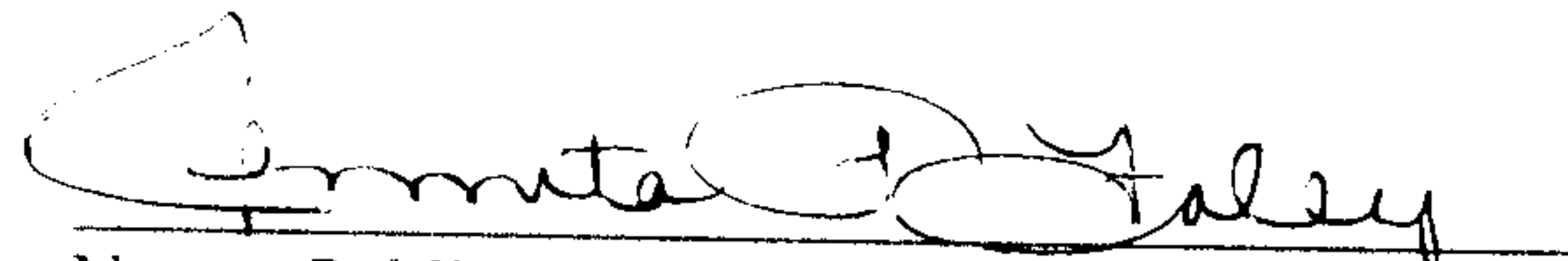
) SS

COUNTY OF ARAPAHOE

)

The foregoing instrument was acknowledged before me this 15TH day of DECEMBER 2010, by **Alex Georgievski** Assistant Corporate Secretary of CoBank, ACB.

Witness my hand and official seal.


Notary Public **JENNITA L. FOLEY**

(Notarial Seal)

My commission expires: 4-01-2014



UNITED STATES OF AMERICA

By: Doris A. Nolte
for Administrator of the Rural Utilities Service

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

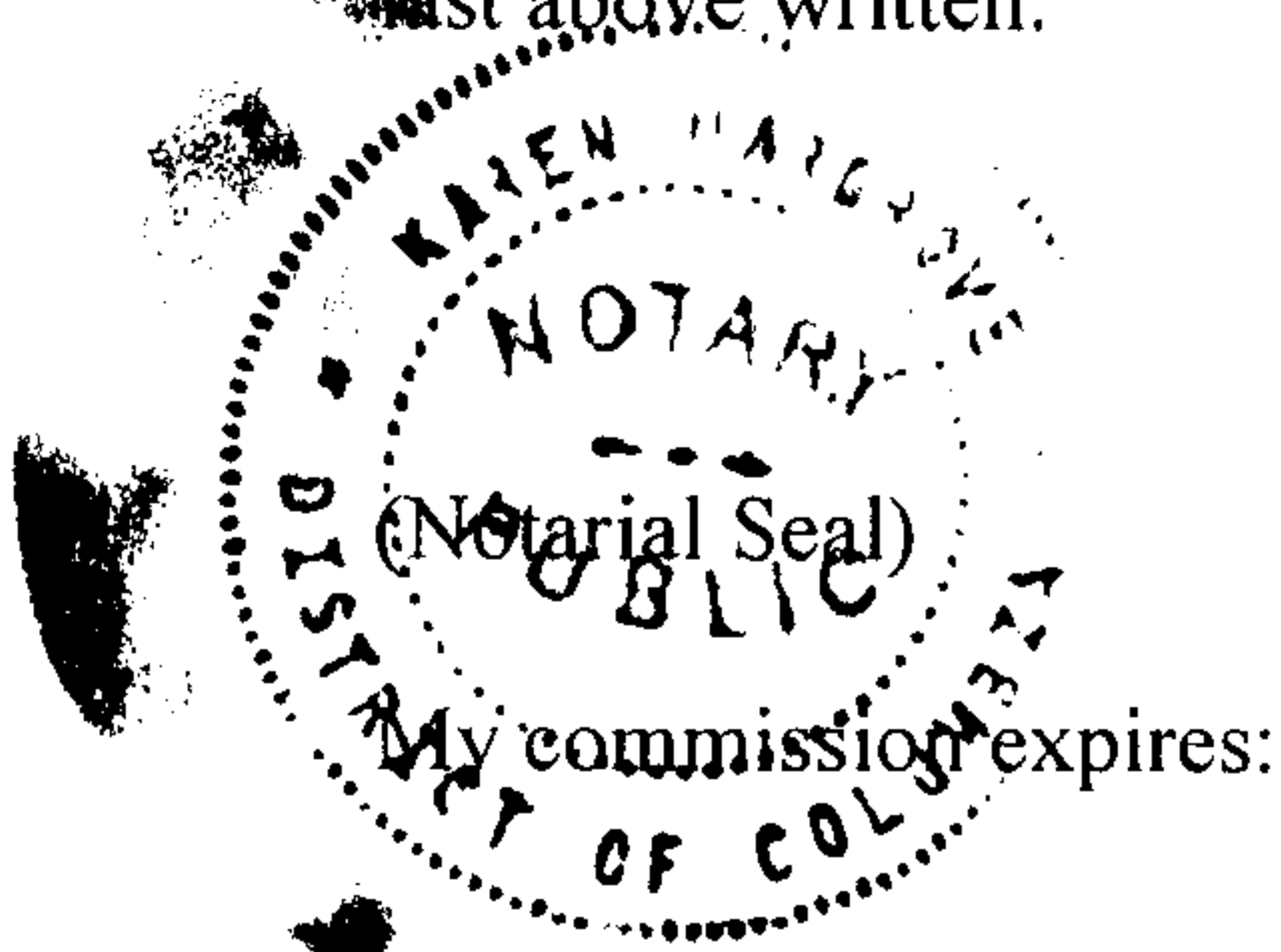
Anthony Fein
Anthony
Witnesses

DISTRICT OF COLUMBIA) SS

On this 6th day of January, 2010, personally appeared before me DORIS A. NOLTE, who, being duly sworn, did say that he is the Administrator 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.

Karen Hargrove
Notary Public



KAREN HARGROVE
NOTARY PUBLIC DISTRICT OF COLUMBIA
My Commission Expires March 31, 2015

District of Columbia: SS
Subscribed and sworn to before me, in my presence,
this 6 day of January, 2011
KAREN HARGROVE
Notary Public, D.C.
My commission expires 3/31/2015



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NOT 1355 602

NATIONAL RURAL UTILITIES
COOPERATIVE FINANCE CORPORATION,
for itself and as Master Servicer under that
certain Master Trust, Sale And Servicing
Agreement made and entered into as of
October 20, 2006 by and among the
National Rural Utilities Cooperative Finance
Corporation, the Federal Agricultural
Mortgage Corporation, U.S. Bank, National
Association, and CFC Advantage, LLC.

(SEAL)

By: *Aamer Arshad*
Assistant Secretary-Treasurer

Attest: *D W*
Title: DAVID W. OLAH
Assistant Secretary - Treasurer

Executed by the Mortgagee
in the presence of:

Elaine M. MacDonald ELAINE M. MACDONALD
Eric Andrews ERIC ANDREWS
Witnesses

COMMONWEALTH OF VIRGINIA)
COUNTY OF FAIRFAX) SS

I, Vanessa Davenport Gwathmey, a Notary Public in and for the Commonwealth of
Virginia, County of Fairfax, do certify that Aamer Arshad, whose
name is signed to the writing above, bearing date on the 10 day of December,
2010, has acknowledged the same before me in my county aforesaid.
Given under my hand this 18 day of February, 2011.

(Notarial Seal)

Vanessa Davenport Gwathmey
Notary Public

My commission expires:

CFC MASTER
AA001-F-0000 (JABLONJ)
18218-8
Vanessa Davenport Gwathmey
I was commissioned a Notary
as Vanessa Davenport

VANESSA DAVENPORT
Notary Public
Commonwealth of Virginia
7110111
My Commission Expires Nov 30, 2011

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Shelby Cnty Judge of Probate, AL
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SUPPLEMENTAL MORTGAGE**SCHEDULE A****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:

Restated Mortgage and Security Agreement dated as of November 1, 2004, among **COOSA VALLEY ELECTRIC COOPERATIVE**, as Mortgagor, the **UNITED STATES OF AMERICA** acting by and through the Administrator of the Rural Utilities Service, as a Mortgagee, and the **NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION**, as a Mortgagee.

As supplemented by the Supplemental Mortgage dated as of March 2, 2009, among **COOSA VALLEY ELECTRIC COOPERATIVE**, as Mortgagor, the **UNITED STATES OF AMERICA** acting by and through the Administrator of the Rural Utilities Service, as a Mortgagee, and the **NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION**, as a Mortgagee.

3. The outstanding secured indebtedness described in the third **WHEREAS** clause above is more particularly described as follows:

OUTSTANDING NOTES issued to the Government

<u>Loan Designation</u>	<u>Face Amount</u>	<u>Date</u>	<u>Final Maturity</u>	<u>% Rate¹</u>
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	5.00
W14 ²	\$9,800,000.00	1 May 2000	1 May 2035	V

¹ V=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.

² In 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 and this Mortgage and is entitled to all of the benefits and security of this Mortgage.

<u>Loan Designation</u>	<u>Face Amount</u>	<u>Date</u>	<u>Final Maturity</u>	<u>% Rate¹</u>
X44	\$19,481,000.00	1 Nov 2004	1 Nov 2039	CFC
Y8 ³	\$24,637,000.00	2 Mar 2009	31 Dec 2043	V

OUTSTANDING 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-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-A-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

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

ADDITIONAL NOTE issued to CoBank:

<u>CoBank Loan Designation</u>	<u>Face Amount of Note</u>	<u>Note Date</u>	<u>Maturity Date</u>
RX0826T1	\$7,545,710.67	12/10/2010	5/20/2029

³ In 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 and this Mortgage and is entitled to all of the benefits and security of this Mortgage.

SUPPLEMENTAL MORTGAGE


SCHEDULE B

PROPERTY SCHEDULE

The fee and leasehold interests in real property referred to in Subclause "A" of Granting Clause First are described on the attached pages B-2 through B-3 of this Schedule B.

DEBTOR: Coosa Valley Electric Cooperative, Inc.

1. A certain tract of land described in a certain deed, dated February 17, 1971, by James B. White, Jr. and wife Evelyn B. White, as Grantors, to the Mortgagor, as Grantee, and recorded in the office of the Judge of Probate of Talladega County, in the State of Alabama, in Deed Book 352, Page 66;
2. A certain tract of land described in a certain deed, dated February 28, 1971, by Arthur L. Albright and wife Nanie D. Albright, as Grantors, to the Mortgagor, as Grantee, and recorded in the office of the Judge of Probate of Talladega County, in the State of Alabama, in Deed Book 352, Page 64;
3. A certain tract of land described in a certain deed, dated May 17, 1949, by Dossie Bowman and wife Vanora Evans Bowman, as Grantors, to the Mortgagors, as Grantee, and recorded in the office of the Judge of Probate of St. Clair County, in the State of Alabama, in Deed Book 40, Pages 463-468;
4. A certain tract of land described in a certain deed, dated April 18, 1967, by Wilmer Hoyle and wife Mary A. Hoyle, as Grantors, to the Mortgagor, as Grantees, and recorded in the office of the Judge of Probate of St. Clair County, in the State of Alabama in Deed Book 90, Page 569;
5. A certain tract of land described in a certain deed, dated November 25, 1959, by A. W. Thompson, a single man, as Grantor, to the Mortgagor, as Grantee, and recorded in the office of the Judge of Probate of Calhoun County, in the State of Alabama, in Deed Book 1038, Page 442;
6. A certain tract of land described in a certain deed, dated August 30, 1947, by Robert M. Whiting, et al, as Grantors, to the Mortgagor, as Grantee, and recorded in the office of the Judge of Probate of Talladega County, in the State of Alabama in Deed Book 134, Page 174;
7. A certain tract of land described in a certain deed, dated January 19, 1940, by T. J. Watson and wife, Helen K. Watson, as Grantors, to the Mortgagor, as Grantee, and recorded in the office of the Judge of Probate of Talladega County, in the State of Alabama, in Deed Book 102, Page 185;


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Shelby Cnty Judge of Probate, AL
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8. A certain tract of land described in a certain deed, dated August 28, 1969, by G. T. Embry and wife, Maggie Embry, as Grantors, to the Mortgagor, as Grantee, and recorded in the office of the Judge of Probate of Talladega County, in the State of Alabama, in Deed Book 339, Page 374;
9. A certain tract of land described in a certain deed, dated February 25, 1976, by Roy Partridge and wife, Ruby Partridge, as Grantors to the Mortgagor, as Grantee, and recorded in the office of the Judge of Probate of Shelby County, in the State of Alabama, in Deed Book 297, Page 447;
10. A certain tract of land described in a certain deed, dated November 1, 1988, by Jerry L. James and wife Lois Gaynell James as grantors, to the Mortgagor, as Grantee and recorded in the office of the Judge of Probate of Talladega County, in the State of Alabama, in Deed Book 567, Page 850;
11. A certain tract of land described in a certain deed, dated October 22, 1992, by John C. Spencer, Jr. and Mildred S. Brownlow to the Mortgagor, as Grantee, and recorded in the office of the Judge of Probate of Talladega County, in the State of Alabama, in Deed Book 621, Page 188;
12. A certain tract of land described in a certain deed dated July 30, 2004, by Jamie K. Swaney, a single woman and Mildred Kirkland, a/k/a Mildred G. Kirkland, a single woman, as Grantors to the Mortgagor, as Grantee, and recorded in the Office of the Judge of Probate of Talladega County, in the State of Alabama, in Deed Book 828, Page 617;
13. A certain tract of land described in a certain deed dated November 17, 2009, by Coosa Valley Propane Services, Inc., an Alabama corporation, as Grantors to the Mortgagor, as Grantee, recorded in the Office of the Judge of Probate of Talladega County, in the State of Alabama, in Deed Book 939, Page 198;

Less and Except:

1. 4.24 acres in Talladega County conveyed by deed from Coosa Valley Electric Cooperative to G & M Partnership, as recorded in Deed Book 728 page 375, Sept. 23, 1999, Probate Court of Talladega County, Alabama.
2. Certain property in Talladega County conveyed by deed from Coosa Valley Electric Cooperative to the State of Alabama for road right of way, as recorded in Deed Book 743 page 69, June 21, 2000, Probate Court of Talladega County, Alabama.

MORT 1355 808

Mortgage Tax	11318.70
Recording Fee	57.50
TOTAL	11376.20

SUPPLEMENTAL MORTGAGE
SCHEDULE C

EXCEPTED PROPERTY

NONE.

