

6-566

WHEREAS, the Government is the owner of the Outstanding AHA Note(s) and the Mortgages are the owners of the Mortgages; and

WHEREAS, it was the intention of the Mortgagor at the time of the execution of the Mortgage (or, if the Mortgage consists of more than one instrument, at the time of the execution of the earliest instrument thereof) that the property of the Mortgagor of the classes described therein, as being mortgaged or pledged thereby, or intended so to be, whether then owned or thereafter acquired, would secure certain notes of the Mortgagor executed and delivered prior to the execution and delivery of the Mortgage (or, if the Mortgage consists of more than one instrument, prior to the execution and delivery of the earliest instrument thereof), and certain notes of the Mortgagor when and as executed and delivered under and pursuant to the Mortgage, as from time to time amended or supplemented, and it is intended by the Mortgagor to confirm hereby the Mortgage and the property therein described as being mortgaged or pledged, or intended so to be, as security for the Outstanding Notes, and other notes of the Mortgagor when and as executed and delivered under and pursuant to the Mortgage, as amended and supplemented hereby; and

WHEREAS, the Mortgage provides that the Mortgagor shall, upon the written demand of the Government or CPC duly authorize, execute, and deliver and record and file all such supplemental mortgages and conveyances as may reasonably be requested by the Government or CPC to effectuate the intention of the Mortgage and to provide for the conveying, mortgaging and pledging of the property of the Mortgagor intended to be conveyed, mortgaged or pledged by the Mortgage to secure the payment of the principal of and interest on notes executed and delivered thereunder and pursuant thereto, or otherwise secured thereby, and the Government and CPC have in writing requested the execution and delivery of this Supplement (hereinafter called "this Supplemental Mortgage") to the Mortgage pursuant to such provisions; and

WHEREAS, it is further intended by the Mortgagor, at the request and with the consent of the Mortgagees, to amend the Mortgage in the respects hereinafter set forth; and

WHEREAS, all acts, things, and conditions prescribed by law and by the articles of incorporation and bylaws of the Mortgagor have been duly performed and complied with to authorize the execution and delivery hereof and to make the Mortgage, as amended and supplemented hereby, a valid and binding mortgage to secure the Outstanding Notes and other notes of the Mortgagor when and as executed and delivered under and pursuant to the Mortgage, as amended and supplemented hereby; and

WHEREAS, the Government and CPC are authorized to enter into this Supplemental Mortgage; and

WHEREAS, to the extent that any of the property described or referred to herein or in the Mortgage is governed by the provisions of the Uniform Commercial Code of any state (hereinafter called the "Uniform Commercial Code"), the parties hereto declare that this Supplemental Mortgage and the Mortgage collectively be regarded as a "security agreement" under the Uniform Commercial Code and that this Supplemental Mortgage be regarded as a "financing statement" under the Uniform Commercial Code for said security agreement.

CONSUMERS POWER INC

OR Sec of State
06/03/1981



1528_5302287

Supp. to Common AHA-CPC M
(Int. Rate Increase)
7-8-80

Lien#: 1528

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POOR QUALITY ORIGINAL

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RECORD OF STATE OF

INSTRUMENTS, RECITAL

"Concurrent REA Note (s)":

(Of even date herewith):

Principal Amount

Interest Rate

(per annum)

\$3,267,000

Five per centum (5 %)

Final Payment Date

Thirty five (35) years
from the date thereof

"Concurrent CFC Note":

(Of even date herewith):

Principal Amount

Interest Rate

(per annum)

Final Payment Date

Thirty five (35) years
from the date thereof

POOR QUALITY ORIGINAL

"Outstanding REA Notes":

() certain mortgage notes in an aggregate principal amount of \$, all of which will finally mature on or before May 31, 1974.

"Outstanding CFC Note(s)":

() certain mortgage note(s) in an aggregate principal amount of \$, all of which will finally mature on or before May 31, 1974.

"Mortgage":

Instrument

Supplemental Mortgage and Security Agreement

to Supplement Mortgage and Security Agreement

Date

May 31, 1973

April 18, 1973

"Maximum Debt Limit" for purposes of article I, section 1 of the Mortgage, as amended hereby, shall be one million dollars (\$1,000,000.00)

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SUPPLEMENT, dated as of **May 27, 1981**, to SUPPLEMENTAL MORTGAGE AND SECURITY AGREEMENT made by and among CONSUMERS POWER, INC.

(hereinafter called the "Mortgagor"), a corporation existing under the laws of the State of ~~Illinois~~, UNITED STATES OF AMERICA (hereinafter called the "Government") acting through the Administrator of the Rural Electrification Administration (hereinafter called "REA"), and NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION (hereinafter called "CFC"), a corporation existing under the laws of the District of Columbia (the Government and CFC being hereinafter sometimes collectively called the "Mortgagees").

WHEREAS, the Mortgagor, for value received, has heretofore duly authorized and executed, and has delivered to the Government, or has assumed the payment of, certain mortgage notes all payable to the order of the Government, in installments, of which certain mortgage notes (hereinafter collectively called the "Outstanding REA Notes") identified in the sixth recital hereof (hereinafter called the "Instruments Recital") are now outstanding and owned by the Government; and

WHEREAS, the Mortgagor, for value received, has heretofore duly authorized and executed, and has delivered to CFC, or has assumed the payment of, a certain mortgage note, or certain mortgage notes, all payable to the order of CFC, in installments, of which the certain mortgage note or notes (hereinafter collectively called the "Outstanding CFC Note(s)") identified in the Instruments Recital are now outstanding and owned by CFC (the Outstanding REA Notes and the Outstanding CFC Note(s) being hereinafter collectively called the "Outstanding Notes"); and

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

WHEREAS, the Mortgagor has determined to borrow additional funds from the Government, 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 the Mortgage, as amended and supplemented hereby, of the property hereinafter described; and

WHEREAS, the Mortgagor has determined to borrow additional funds from CFC, and has accordingly duly authorized, executed and delivered to CFC its mortgage note or notes (identified in the Instruments Recital and hereinafter collectively called the "Concurrent CFC Note") to be secured by the Mortgage, as amended and supplemented hereby, of the property hereinafter described; and

WHEREAS, the instruments referred to in the preceding recitals and the Maximum Debt Limit referred to in article I, section 1 of the Mortgage, as amended hereby, are hereby identified as follows:

Item - Supp. to Common REA-CFC Elec. Mtg. Debt Limit Increase

7/78

POOR QUALITY ORIGINAL

REA Designation: _____

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NOW, THEREFORE, in consideration of the premises and the sum of \$10,000.00 to hand paid by the Mortgagor to the Mortgagee, the receipt whereof by the Mortgagee prior to the execution and delivery of this Supplemental Mortgage is hereby acknowledged, this Supplemental Mortgage witnesseth as follows:

1. The Mortgagor has executed and delivered this Supplemental Mortgage and has granted, bargained, sold, conveyed, warranted, assigned, transferred, mortgaged, pledged and set over, and by these presents does hereby grant, bargain, sell, convey, warrant, assign, transfer, mortgage, pledge and set over, unto the Mortgagee and their respective assigns, all and singular the real and personal property described in the Mortgage as being mortgaged thereby and all and singular the real and personal property of the Mortgagor falling within the classes of property embraced in the description of the "Mortgaged Property" set forth in the Mortgage, including, without limitation, all and singular the real and personal property of said description heretofore or hereafter acquired by or constructed by or on behalf of the Mortgagor, and wheresoever situate, including, without limitation, the "Existing Electric Facilities" identified and the real estate specifically described (by reference to deeds or otherwise) in the Mortgage and mortgaged thereby (except such portions, if any, thereof as have been released prior to the execution and delivery of this Supplemental Mortgage), and including, without limitation, the following described property, to wit:

1. A certain tract of land described in a certain deed, dated September 5, 1951, by John William Brannon, Jr., and Olive Brannon, his wife, as grantors, to the Mortgagor, as grantee, and recorded in the Office of the County Clerk of Benton County, in the State of Oregon, in Deed Book 136, on page 352;
2. A certain tract of land described in a certain deed, dated November 13, 1951, by Lillian May Willis, unmarried, as grantor, to the Mortgagor, as grantee, and recorded in the Office of the County Clerk in Lincoln County, in the State of Oregon, in Deed Book 148, on page 599;
3. A certain tract of land described in a certain deed, dated March 19, 1954, by Willis L. Lowe and Ruby A. Lowe, his wife, as grantors, to the Mortgagor, as grantee, and recorded in the Office of the County Clerk of Lincoln County, in the State of Oregon, in Deed Book 163, page 11;
4. A certain tract of land described in a certain deed, dated April 16, 1954, by the Bonneville Power Administration, as grantor, to the Mortgagor, as grantee, and recorded in the Office of the County Clerk of Lincoln County, in the State of Oregon, in Deed Book 163, on page 615;
5. A certain tract of land described in a certain deed, dated August 31, 1954, by Millamette Valley Lumber Company, as grantor, to the Mortgagor, as grantee, and recorded in the Office of the County Clerk of Benton County, in the State of Oregon, in Deed Book 147, on page 640;
6. A certain tract of land described in a certain deed, dated April 26, 1955, by the Bonneville Power Administration, as grantor, to the Mortgagor, as grantee, and recorded in the Office of the County Recorder of Linn County, in the State of Oregon, in Deed Book 243, on page 26H;

POOR QUALITY ORIGINAL

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7. A certain tract of land described in a certain deed, dated September 7, 1956, by the Bonneville Power Administration, as grantor, to the Mortgagee, as grantee, and recorded in the Office of the County Clerk of Lincoln County, in the State of Oregon, in Deed Book 181, on page 124;
8. A certain tract of land described in a certain deed, dated January 21, 1957, by John William Brannon, Jr. and Olive Brannon, his wife, and Ruth E. Parker, a widow (contract purchaser), as grantors, to the Mortgagee, as grantee, and recorded in the Office of the County Clerk of Benton County, in the State of Oregon, in Deed Book 158, on page 609;
9. A certain tract of land described in a certain deed, dated July 2, 1957, by the Bonneville Power Administration, as grantor, to the Mortgagee, as grantee, and recorded in the Office of the County Clerk of Lincoln County, in the State of Oregon, in Deed Book 186, on page 178;
10. A certain tract of land described in a certain deed, dated May 27, 1959, by Albert Leroy Hiatt and Florence May Hiatt, his wife, as grantors, to the Mortgagee, as grantee, and recorded in the Office of the County Clerk of Benton County, in the State of Oregon, in Deed Book 168, on page 693;
11. A certain tract of land described in a certain deed, dated February 24, 1961, by Earl Lonie, unmarried, as grantor, to the Mortgagee, as grantee, and recorded in the Office of the County Clerk of Benton County, in the State of Oregon, in Deed Book 176, on page 410;
12. A certain tract of land described in a certain deed, dated June 29, 1961, by Nelson Locke and Leatha Locke, his wife, as grantors, to the Mortgagee, as grantee, and recorded in the Office of the County Clerk of Benton County, in the State of Oregon, in Deed Book 178, on page 117;
13. A certain tract of land described in a certain deed, dated January 31, 1963, by the State of Oregon by and through its State Highway Commission, as grantor, to the Mortgagee, as grantee, and recorded in the Office of the County Clerk of Benton County, in the State of Oregon, in Deed Book 185, on page 214;
14. A certain tract of land described in a certain deed, dated May 19, 1963, by V. D. Landess and Edith B. Landess, his wife, as grantors, to the Mortgagee, as grantee, and recorded in the Office of the County Clerk of Lincoln County, in the State of Oregon, in Deed Book 234, on page 578;
15. A certain tract of land described in a certain deed, dated July 9, 1963, by Joe L. Gilbert and June Gilbert, his wife, as grantors, to the Mortgagee, as grantee, and recorded in the Office of the County Recorder of Linn County, in the State of Oregon, in Deed Book 295, on page 651;

POOR QUALITY ORIGINAL

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16. A certain tract of land described in a certain deed, dated July 11, 1963, by V. Compton and [redacted] V. Compton, his wife; and Richard Miller and [redacted] Miller, his wife, as grantors, to the Mortgagor, as grantee, and recorded in the Office of the County Clerk of Benton County, in the State of Oregon, in Deed Book 187, on page 192;
17. A certain tract of land described in a certain deed, dated September 12, 1963, by Everett B. Kutsch and Janet M. Kutsch, his wife; and Sophia Smith, unmarried, as grantors, to the Mortgagor, as grantee, and recorded in the Office of the County Recorder of Linn County, in the State of Oregon, in Deed Book 297, on page 561;
18. A certain tract of land described in a certain deed, dated September 23, 1963, by Ralph E. Macomber and Margaret Macomber, his wife, as grantors, to the Mortgagor, as grantee, and recorded in the Office of the County Clerk of Lincoln County, in the State of Oregon, in Deed Book 238, on page 638;
19. A certain tract of land described in a certain deed, dated November 26, 1963, by Howard F. Martin and Myrnie M. Martin, his wife; Robert E. Bunn and Kathryn R. Bunn, his wife; and Daniel E. Bunn and Pamela Bunn, his wife, as grantors, to the Mortgagor, as grantee, and recorded in the Office of the County Clerk of Benton County, in the State of Oregon, in Deed Book 188, on page 754;
20. A certain tract of land described in a certain deed, dated May 8, 1964, by Western Veneer and Plywood Company, as grantor, to the Mortgagor, as grantee, and recorded in the Office of the County Recorder of Linn County, in the State of Oregon, in Deed Book 303, on page 10;
21. A certain tract of land described in a certain deed, dated May 12, 1964, by Lillian May Willis, unmarried, as grantor, to the Mortgagor, as grantee, and recorded in the Office of the County Clerk of Lincoln County, in the State of Oregon, in Deed Book 244, on page 379;
22. A certain tract of land described in a certain deed, dated May 18, 1964, by Bugaboo Timber Company, as grantor, to the Mortgagor, as grantee, and recorded in the Office of the County Recorder of Marion County, in the State of Oregon, in Deed Book 588, on page 756;
23. A certain tract of land described in a certain deed, dated July 15, 1964, by Albert Kurth and Helen Kurth, his wife, as grantors, to the Mortgagor, as grantee, and recorded in the Office of the County Clerk of Benton County, in the State of Oregon, in Deed Book 192, on page 50;
24. A certain tract of land described in a certain deed, dated August 10, 1964, by Walter W. Clair and Gladys A. Clair, his wife, as grantors, to the Mortgagor, as

POOR QUALITY ORIGINAL

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grantee, and recorded in the Office of the County Clerk of Benton County, in the State of Oregon, in Deed Book 192, on page 330;

25. A certain tract of land described in a certain deed, dated August 19, 1964, by R. M. Paulson, Conservator of the Estate of Rebecca C. Youtsey, an aged woman, as grantor, to the Mortgagor, as grantee, and recorded in the Office of the County Clerk of Benton County, in the State of Oregon, in Deed Book 192, page 567;
26. A certain tract of land described in a certain deed, dated December 8, 1964, by H & W Logging Company, as grantor, to the Mortgagor, as grantee, and recorded in the Office of the County Recorder of Marion County, in the State of Oregon, in Deed Book 595, on page 72;
27. A certain tract of land described in a certain deed, dated September 24, 1965, by the Oregon State Highway Commission, as grantors, to the Mortgagor, as grantee, and recorded in the Office of the County Clerk of Polk County, in the State of Oregon, in Deed Book 197, on page 598;
28. A certain tract of land described in a certain deed, dated November 14, 1967, by Myrtle Weltin, unmarried, as grantor, to the Mortgagor, as grantee, and recorded in the Office of the County Clerk of Lincoln County, in the State of Oregon, in Deed Book 283, on page 622;
29. A certain tract of land described in a certain deed, dated April 19, 1968, by Amos Roth and Ada Roth, his wife, as grantors, to the Mortgagor, as grantee, and recorded in the Office of the County Recorder of Linn County, in the State of Oregon, in Deed Book 330, on page 373;
30. A certain tract of land described in a certain deed, dated April 29, 1969, by Frances W. Bose, unmarried, as grantor, to the Mortgagor, as grantee, and recorded in the Office of the County Clerk of Benton County, in the State of Oregon, and assigned No. 13124 in the Microfilm Records;
31. A certain tract of land described in a certain deed, dated September 4, 1969, by the United States of America, acting by and through the General Services Administration, as grantor, to the Mortgagor, as grantee, and recorded in the Office of the County Clerk of Benton County, in the State of Oregon, and assigned No. 16308 in the Microfilm Records;
32. A certain tract of land described in a certain deed, dated November 13, 1969, by Richard G. Renoud and Millie E. Renoud, his wife, as grantors, to the Mortgagor, as grantee, and recorded in the Office of the County Recorder of Linn County, in the State of Oregon, in Deed Book 344, on page 457;

POOR QUALITY ORIGINAL

Provided, however, that except as provided in section 13(b) of article II of the Mortgage, no automobiles, trucks, trailers, tractors or other vehicles (including without limitation aircraft or ships, if any) owned or used by the Mortgagor shall be included in the property mortgaged by the Mortgage and this Supplemental Mortgage.

TO HAVE AND TO HOLD the same forever, for the uses and purposes and upon the terms, conditions, provisos and agreements expressed and declared in the Mortgage, as amended and supplemented hereby.

2. The Outstanding Notes are hereby confirmed as notes of the Mortgagor entitled to the security of the Mortgage, as amended and supplemented by this Supplemental Mortgage, and of the property by the Mortgage and this Supplemental Mortgage mortgaged and pledged, or intended so to be, equally and ratably with one another and with other notes of the Mortgagor when and as executed and delivered under and pursuant to the Mortgage, as amended and supplemented hereby, without preference, priority or distinction as to interest or principal (except as otherwise specifically provided in the Mortgage, as amended and supplemented hereby) or as to lien or otherwise, of any one of the Outstanding Notes or such other notes over any other thereof and irrespective of the date of the execution, delivery or maturity thereof, or of the assignment or negotiation thereof or otherwise.

3. Additional notes executed and delivered pursuant to section 1 of article I of the Mortgage, as amended hereby, are hereby included within the terms "Additional Note" and "notes", as defined in Mortgage, as amended hereby. The Concurrent NEA Note(s), Concurrent CYC Note, and refunding, renewal and substituted notes executed and delivered pursuant to said section 1 of article I, are hereby included within the term "notes", as defined in the Mortgage, as amended hereby.

4. The Mortgage is hereby amended by including therein, for purposes of article I, section 1 thereof, the Maximum Debt Limit provision contained in the Mortgage of this Supplemental Mortgage.

POOR QUALITY ORIGINAL

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5. Any reference herein to the Administrator shall be deemed to mean the Administrator of the Rural Electrification Administration or his duly authorized representative or any other person or authority in whom may be vested the duties and functions which the Administrator is now or may hereafter be authorized by law to perform.

RECEIVED

6. All demands, notices, reports, approvals, designations, or directions required or permitted to be given under the Mortgage, as amended hereby, shall be in writing and shall be deemed to be properly given if mailed by registered mail addressed to the proper party or parties at the following addresses:

As to the Mortgagor: as stated in the testimonium clause hereof.

As to the Mortgagees: CFC: National Rural Utilities Cooperative
Finance Corporation
1115 30th Street, N.W.,
Washington, D.C. 20007

POOR QUALITY ORIGINAL

The Government:

Rural Electrification Administration
Washington, D.C. 20550

and as to any other person, firm, corporation or governmental body or agency having an interest herein by reason of being the holder of any note or otherwise, at the last address designated by such person, firm, corporation, governmental body or agency to the Mortgagor and the Mortgagees. The Mortgagor or the Mortgagees may from time to time designate to each other a new address to which demands, notices, reports, approvals, designations or directions may be addressed and from and after such designation the address designated shall be deemed to be the address of such party in lieu of the address hereinabove given.

7. To the extent that any of the property described or referred to herein and in the Mortgage is governed by the provisions of the Uniform Commercial Code, the Mortgage and this Supplemental Mortgage, collectively, are hereby deemed a "security agreement" under the Uniform Commercial Code, and this Supplemental Mortgage is also hereby declared to be a "financing statement", under the Uniform Commercial Code for said security agreement. The mailing address of the Mortgagor as debtor, and of the Mortgagees as secured parties, are as set forth in the Mortgage and in section 6 of this Supplemental Mortgage.

8. All of the terms, provisions and covenants of the Mortgage, except as expressly modified hereby, shall be and remain in full force and effect.

9. The invalidity of any one or more phrases, clauses, sentences, paragraphs or provisions of this Supplemental Mortgage shall not affect the validity of the remaining portions hereof.

Suppl. to General REA-CF Elec. Mtg.
(First Limit Increase)

1-10-60

7/70

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10, This Supplemental Mortgage may be simultaneously executed in any number of counterparts, and all of said counterparts, when taken together, shall constitute but one and the same instrument.

IN WITNESS WHEREOF, Consumers Power, Inc., P.O. Box 1108, Cleveland, Oregon

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, NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION, 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, and UNITED STATES OF AMERICA, as Mortgagor, has caused this Supplemental Mortgage to be duly executed in its behalf, all as of the day and year first above written.

CONSUMERS POWER, INC.

by *Charles Hecht*
President

(Seal)
Attest: *[Signature]*
Secretary

Executed by the Mortgagor
in the presence of:
[Signature]
[Signature]
Witnesses

NATIONAL RURAL UTILITIES COOPERATIVE
FINANCE CORPORATION

by *Charles B. Hill*
Secretary

(Seal)
Attest: *[Signature]*
Assistant Secretary

Executed by National Rural Utilities
Cooperative Finance Corporation,
Mortgagor, in the presence of:

[Signature]
[Signature]
Witnesses

POOR QUALITY ORIGINAL

UNITED STATES OF AMERICA

by *[Signature]*
Assistant Administrator
of

Rural Electrification Administration

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

[Signature]
[Signature]
Witnesses

NOTARY PUBLIC
COUNTY OF Benton

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On this 27th day of May, 1981, before me a notary public for the State of Oregon, the undersigned officers, ~~as stated on record~~ and ~~James C. Dorman~~ who being duly sworn, did respectively, say that they are the president and secretary, respectively, of Consumers Power, Inc. a 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 by them in behalf of said corporation by authority of its board of directors; and they acknowledged said instrument to be its voluntary act and deed. Before me:

Michael L. Birch
Notary Public

(Notarial Seal)

My commission expires 10-4-81

POOR QUALITY ORIGINAL

UNITED STATES OF AMERICA)
DISTRICT OF COLUMBIA)

On this 8 day of May, 1981, before me the undersigned officer, personally appeared MARY J. WESSLER, Acting Administrator of the Rural Electrification Administration, an officer of the United States of America, and acknowledged that pursuant to delegation of authority duly given and evidenced by law and presently in effect, he executed the foregoing instrument for the purpose therein contained as his voluntary act and deed, claiming the same as an officer of the United States of America by himself as said Acting Administrator of the Rural Electrification Administration.

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

Mary J. Wessler
Notary Public

(Notarial Seal)

My commission expires 4/30/82

UNITED STATES OF AMERICA)
DISTRICT OF COLUMBIA)

On this 18 day of May, 1981, before me a notary public Ruth Stockton, the undersigned officer, personally appeared Charles B. Gill who being duly sworn, did say they he is the Governor of the National Rural Utilities Cooperative Finance Corporation, a 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 by him in behalf of said corporation by authority of its board of directors; and he acknowledged said instrument to be its voluntary act and deed. Before me:

Ruth Stockton
Notary Public

(Notarial Seal)

My commission expires 11/1/81