

RESOLUTION OF THE BOARD OF DIRECTORS

OF

WELLS RURAL ELECTRIC COMPANY

I HEREBY CERTIFY that I am the duly elected Secretary of the WELLS RURAL ELECTRIC COMPANY, A Nevada corporation, and that the following is a true copy of a Resolution duly adopted by unanimous vote of the Board of Directors of said corporation held in accordance with the By-Laws of said Corporation, at a regular meeting of the Board of Directors in the Company office in the City of Wells, County of Elko, State of Nevada, on the 18th day of May, 1962:

RESOLVED: That the Board of Directors approves the payment of engineering services to Associated Engineers for the ten (10) days supervision time required for making final inspection of contractor's work and examination of final documents in company with RMA Engineer on Contract #2. Provided further, that the engineering fees for special permits as submitted are approved and the board is authorized to execute the engineer's final statement of fee.

IN WITNESS WHEREOF, I have hereunto affixed my name as Secretary of said corporation and have caused the corporate seal of said corporation to be hereunto affixed this 19th day of May, 1962.


SECRETARY

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL ELECTRIFICATION ADMINISTRATION
WASHINGTON 25, D. C.

APR 19 1962

Ref.: Nevada 15

Mr. Robert Wright, President
Wells Rural Electric Company
P. O. Box 365
Wells, Nevada

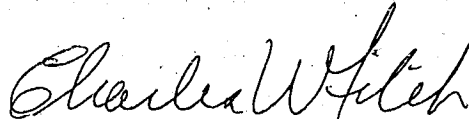
Dear Mr. Wright:

We are enclosing a copy of the loan fund audit report prepared by Mr. Carl W. Blair, REA field accountant, as of December 31, 1961. A copy of this letter and report is also being furnished your manager, Mr. George Blackett.

It is suggested that the report be presented to the board of directors at its next meeting, that all information and suggestions included therein be fully considered, and that it be incorporated as an exhibit representing part of the minutes of the meeting.

We wish to express our appreciation for the cooperation extended Mr. Blair during his assignment, and shall welcome any comments or recommendations of the board of directors or manager relative to this report.

Sincerely yours,



Gerald F. Diddle, Director
Western Area - Electric

Enclosure

cc:
George Blackett, Manager
Wells, Nevada

9-649

Basis Date Agreement (Rev. 10/57)

Form C-2

Form T-7a

REA Project Designation:

NEVADA 15A WELLS

AGREEMENT

between

UNITED STATES OF AMERICA

and

WELLS RURAL ELECTRIC COMPANY

Dated as of May 10, 1962

Identified as form of document presented to and approved
by the board of directors ~~trustee~~ of the above named
corporation at a meeting held APRIL 6, 1962


Secretary of Meeting

DEPARTMENT OF AGRICULTURE

RURAL ELECTRIFICATION ADMINISTRATION

No. A

AGREEMENT, made as of May 10, 1962 - - - - - , pursuant to the Rural Electrification Act of 1936, as amended (7 U. S. C. 901 et seq.), between UNITED STATES OF AMERICA (hereinafter called the "Government"), acting through the Administrator of the Rural Electrification Administration (hereinafter called the "Administrator"), and WELLS RURAL ELECTRIC COMPANY - - - - - (hereinafter called the "Corporation"), a corporation existing under the laws of the State of Nevada.

WHEREAS, the Corporation, to evidence a loan made by the Government to the Corporation pursuant to a loan contract (hereinafter called the "Loan Contract") between the Government and the Corporation, executed and delivered the following-described mortgage note or bond payable to the order of the Government:

<u>DATE</u>	<u>PRINCIPAL AMOUNT</u>	<u>FINAL MATURITY DATE</u>
May 9, 1959	\$1,654,000.00	May 9, 1994

and

WHEREAS, the terms of payment of the said note or bond may have been extended by an agreement or agreements entered into by and between the Corporation and the Government and other parties (the above-mentioned mortgage note or bond, as heretofore extended by any such agreement or agreements being hereinafter called the "Note"); and

WHEREAS, a portion of the principal amount of the Note has not been advanced to the Corporation as of the date of this Agreement (such portion of the principal amount of the Note not advanced to the Corporation prior to the date of this Agreement being hereinafter called the "Principal Balance"); and

WHEREAS, it is desired that the Principal Balance, when advanced to the Corporation, shall be repayable, with interest thereon, in installments as hereinafter provided, within thirty-five (35) years from the date of this Agreement;

NOW, THEREFORE, for and in consideration of the mutual agreements herein contained, the Government and the Corporation agree as follows:

SECTION 1. Interest on the Principal Balance advanced pursuant to the Loan Contract and remaining unpaid shall be payable quarterly in each year for a period ending on a date three (3) years after the date of this Agreement. Thereafter, to and including a date thirty-five (35) years after the date of this Agreement, the Corporation shall make quarterly payments in each year at the rate of \$10.60 per \$1,000 of the Principal Balance advanced pursuant to the Loan Contract and unpaid three (3) years after the date of this Agreement. Each such payment shall be applied first to the payment of interest on the Principal Balance and then on account of the Principal Balance. Thirty-five (35) years after the date of this Agreement, the Principal Balance advanced pursuant to the Loan Contract remaining unpaid, if any, and interest thereon, shall become due and payable.

SECTION 2. This Agreement shall not be effective unless and until the Corporation has obtained all authorizations required by law in order to permit the Corporation validly and lawfully to execute this Agreement.

SECTION 3. All of the terms and conditions of the Note, of any mortgage, deed of trust or other instrument securing the Note, and of any other agreement to which the Government and the Corporation are parties, shall stand and remain unchanged and in full force and effect except only as specifically varied or amended by this Agreement.

SECTION 4. The invalidity of any one or more phrases, clauses, sentences,

paragraphs, or provisions of this Agreement shall not affect any remaining portions thereof.

SECTION 5. This Agreement may be simultaneously executed and delivered in two or more counterparts, each of which so executed and delivered shall be deemed to be an original, and all shall constitute but one and the same instrument.

IN WITNESS WHEREOF the Government has caused this Agreement to be duly executed and the Corporation has caused this Agreement to be signed in its corporate name and its corporate seal to be hereunto affixed and attested by its officers thereunto duly authorized, all as of the day and year first above written.

UNITED STATES OF AMERICA

by

Administrator
of
Rural Electrification Administration

Executed by the Government in the presence of:

_____ Witnesses

WELLS RURAL ELECTRIC COMPANY

by *Robert R. Knight*
President

(Seal)

Attest: *John W. Morschelt*
Secretary

Executed by the Corporation in the presence of:

Harmon Nelson
Lawrence C. Sweet
_____ Witnesses

REA Project Designation:

NEVADA 15B WELLS

MORTGAGE NOTE

MADE BY

WELLS RURAL ELECTRIC COMPANY

TO

UNITED STATES OF AMERICA

Dated *APRIL 6, 1962*

Identified as form of document presented to and approved
by the board of directors ~~trustees~~ of the above named
corporation at a meeting held *APRIL 6, 1962*

John W. Mondette
Secretary of Meeting

A

Note - 3 yr. Deferment - 6/57

9-524

WELLS RURAL ELECTRIC COMPANY

MORTGAGE NOTE

Wells, Nevada

April 6, 1962

WELLS RURAL ELECTRIC COMPANY- - - - - (hereinafter called the "Corporation"), a corporation organized and existing under the laws of the State of Nevada- - - - - , for value received, promises to pay to the order of UNITED STATES OF AMERICA, at the United States Treasury, Washington, D. C., at the times and in the manner hereinafter provided, the sum of one million one hundred eight thousand - - - - - dollars (\$1,108,000- - -), with interest on the amount thereof advanced by United States of America, pursuant to a certain - - - - - loan contract, dated as of May 8- - - - - , 1959 , between United States of America and the Corporation, as the same may have been amended from time to time (said loan contract, as it may have been amended, being hereinafter called the "Loan Contract"), and remaining unpaid from time to time, at the rate of two (2) per centum per annum.

Interest on principal advanced pursuant to the Loan Contract and remaining unpaid shall be payable quarterly, on the last day of March- - - - - , June- - - - - , September- - - - - , and December- - - - - , of each year for a period ending on a date three (3) years after the date hereof. Thereafter, to and including a date thirty-five (35) years after the date hereof, the Corporation shall make a payment on each of said quarterly dates in each year at the rate of \$ 10.60- - per \$1,000 of the principal amount hereof advanced pursuant to the Loan Contract and unpaid three (3) years after the date hereof. Each such payment shall be applied first to the payment of interest on principal and then on account of principal. Thirty-five (35) years after the date hereof, the principal hereof advanced pursuant to the Loan Contract remaining unpaid, if any, and interest thereon, shall become due and payable.

The Corporation on any payment date, as hereinabove provided, may pay all or any part of the principal hereof then advanced pursuant to the Loan Contract and remaining unpaid, but so long as any of the principal hereof advanced pursuant to the Loan Contract shall remain unpaid, the Corporation shall be obligated to make the quarterly payment on account of principal and interest, in the amount hereinabove provided, unless the Corporation and the holder of this Note shall otherwise agree.

This Note has been executed and delivered pursuant to and is secured by a certain indenture of deed of trust dated as of July 10, 1959, made by and between the Corporation and First National Bank of Nevada, as trustee, as said indenture of deed of trust may have been from time to time amended or supplemented by any supplemental indenture or supplemental indentures (said indenture of deed of trust and any such supplemental indenture or supplemental indentures being hereinafter collectively called the "Mortgage"),- - - - -

and is one of several notes (hereinafter called the "notes"), limited to the aggregate principal amount of five million- - - - - dollars (\$ 5,000,000- - -), permitted to be executed and delivered by the Corporation pursuant to the Mortgage. The Mortgage provides that all notes shall be equally and ratably secured thereby and reference is hereby made to the Mortgage for a description of the property mortgaged and pledged, the nature and extent of the security and the rights of the holders of notes with respect thereto.

In case of default by the Corporation, as provided in the Mortgage, all principal advanced pursuant to the Loan Contract and remaining unpaid, on this Note and any other notes at the time outstanding, and all interest thereon, may be declared or may become due and payable in the manner and with the effect provided in the Mortgage.

IN WITNESS WHEREOF the Corporation has caused this Note to be signed in its corporate name and its corporate seal to be hereunto affixed and attested by its officers thereunto duly authorized, all as of the day and year first above written.

WELLS RURAL ELECTRIC COMPANY

by *Robert R. Knight*
President

(SEAL)

Attest: *John W. Mordeth*
Secretary