

FORM-Ref. Ind-1.

SECTION 2. All of the covenants, stipulations, promises, undertakings, and agreements herein contained by or on behalf of the Corporation shall bind its successors and assigns, whether so specified or not, and all titles, rights, and remedies hereby granted to or conferred upon the Trustee shall pass to and inure to the benefit of the successors and assigns of the Trustee and shall be deemed to be granted or conferred for the ratable benefit and security of all who shall from time to time be holders of notes executed and delivered as herein provided.

SECTION 3. The descriptive headings of the various articles of this Indenture were formulated and inserted for convenience only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

SECTION 4. All demands, notices, reports, approvals, designations, or directions required or permitted to be given hereunder 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 Corporation: THE PAN VALLEY ELECTRIC COOPERATIVE COMPANY, INC.  
Troy, Ala.

As to the Trustee: THE NATIONAL BANK OF AMERICA AT SELMA  
Selma, Alabama

As to the Government: Rural Electrification Administration  
Washington 25, D. C.

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 Corporation, the Trustee, and the Government. The Corporation, the Trustee, or the Government 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 any such designation the address designated shall be deemed to be the address of such party in lieu of the address hereinabove given. For the purposes of this Indenture the Government shall be deemed to be the holder of all outstanding notes unless and until notice of the assignment or transfer thereof shall have been given in writing to the Trustee and the Corporation.

SECTION 5. The invalidity of any one or more phrases, clauses, sentences, paragraphs, or provisions shall not affect the remaining portions of this Indenture.

SECTION 6. Any reference herein to "directors" shall be deemed to refer to "directors" or "trustees" as the case may be and any reference herein to "board of directors" shall be deemed to refer to "board of directors" or "board of trustees" as the case may be.

SECTION 7. This Indenture may be simultaneously executed in any number of counterparts, and all said counterparts executed and delivered, each as an original, shall constitute but one and the same instrument.

