

**AMENDMENT NO. 1 TO MARKET BASED RATE
PARTIAL AND FULL REQUIREMENTS AGREEMENT**

This AMENDMENT NO. 1 TO MARKET BASED RATE PARTIAL AND FULL REQUIREMENTS AGREEMENT (this "Amendment") is dated as of June 11, 2014 ("Effective Date"), and is by and between Big Rivers Electric Corporation ("Company"), and the CITY OF WAYNE, NEBRASKA ("Customer") (each individually a "Party," or collectively, the "Parties").

RECITALS

WHEREAS, Company and Customer entered into a Market Based Rate Partial and Full Requirements Agreement, dated as of December 20, 2013, relating to the provision of electric services by Company to Customer thereunder (the "Existing Agreement"); and

WHEREAS, it is a condition to the effectiveness of the Existing Agreement and the Parties obligations thereunder that the Company comply with its obligations under its financing arrangements with the USDA Rural Utilities Service ("RUS") relating to approval of the Existing Agreement, and RUS has conditioned its approval of the Existing Agreement, upon entry into this Amendment.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Parties hereby agree as follows.


1. **Capitalized Terms; Rules of Interpretation.** Capitalized terms used herein and not defined have the meaning given to those terms in the Existing Agreement. The rules of interpretation set forth in the Existing Agreement shall apply to this Amendment as though fully set forth herein.

2. **Amendment of Section 12.1.** The Existing Agreement is amended by deleting the current Section 12.1 and inserting the following in lieu thereof:

12.1 **General Prohibition Against Assignments.** Except as provided in Sections 12.2 and 12.5 below, no Party shall assign, pledge or otherwise transfer this Agreement or any right or obligation under this Agreement without first obtaining the other Party's written consent, which consent shall not be unreasonably withheld, conditioned or delayed. This Agreement shall apply to and be binding upon the permitted successors and assigns of the Parties hereto as fully as if the words "successors and assigns" were written herein wherever reference to Company or Customer occurs in this Agreement.

3. **Amendment to Article 12.** The Existing Agreement is amended by inserting the following new section:

12.5 **RUS Collateral Assignment.** Notwithstanding any other provision of this Agreement to the contrary, Company may, without the written consent of Customer and without relieving itself from liability hereunder, assign, transfer, mortgage or pledge this Agreement to create a security interest for the benefit of the United States of America, acting through RUS, or other secured party (directly or through an indenture trustee or other collateral agent; collectively, including such indenture trustee or other collateral agent, a "Secured Party"). Thereafter, a Secured Party, without the written consent of Customer, may (i) cause this Agreement (and all obligations hereunder) to be sold, assigned, transferred or otherwise disposed of to a third party pursuant to the terms governing such security interest, or (ii) if RUS first acquires this Agreement pursuant to U.S.C. § 907 or if any other Secured Party otherwise first acquires it, assign, transfer or otherwise dispose of this Agreement (and all obligations hereunder) to a third party; provided, however, that in either case (A) Company is not relieved of its obligations that are secured by such security interest and that the applicable Secured Party

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Party has given Customer written notice of such default; and (B) the applicable Secured Party has given Customer not less than thirty (30) days' prior written notice of its intention to sell, assign, transfer or otherwise dispose of this Agreement (and all obligations hereunder) indicating the identity of the intended third-party assignee or purchaser. For the avoidance of doubt, the limitations on assignment set forth in Section 12.2 shall not apply to assignments to sales, assignments, transfers or other dispositions pursuant to this Section 12.5.

4. **No Other Changes.** Except as otherwise expressly provided or contemplated by this Amendment, all of the terms, conditions and provisions of the Existing Agreement remain unaltered and in full force and effect. The Existing Agreement and this Amendment shall be read and construed as one agreement.

5. **Interpretation.** The interpretation and performance of this Amendment shall be in accordance with and controlled by the laws of the Commonwealth of Kentucky, without giving effect to its conflicts of law provisions, except that issues pertaining to Customer's status as a municipal entity or the applicability of the Nebraska Public Information Act shall be governed by Nebraska law.

6. **Severability.** If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired thereby; and the Parties hereby agree to effect such modifications to this Agreement as shall be reasonably necessary in order to give effect to the original intention of the Parties.

7. **Counterparts.** This Agreement may be executed in counterparts, and each executed counterpart shall have the same force and effect as an original instrument.

8. **Headings.** Article and section headings used throughout this Agreement are for the convenience of the Parties only and are not to be construed as part of this Agreement.

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Amendment on their behalf as of the date first above written.

CITY OF WAYNE, NEBRASKA

By: 

Name: Ken Chamberlain

Title: Mayor

BIG RIVERS ELECTRIC CORPORATION

By: 

Name: Mark A. Bailey

Title: President and CEO

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