

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Application of Union)
Electric Company d/b/a AmerenUE and Ozark)
Border Electric Cooperative for Approval)
of a Written Territorial Agreement)
Designating the Boundaries of Each Electric)
Service Supplier within portions of Bollinger,)
Butler, Carter, Dunklin, Iron, Madison, New)
Madrid, Reynolds, Ripley, Stoddard and Wayne)
Counties; Authorizing the Sale, Transfer, and)
Assignment of Certain Electric Distribution)
Facilities, Easements and Other Rights)
Generally Constituting the Applicant's)
Electric Utility Business Associated with)
Its Customers Transferred Pursuant to the)
Territorial Agreement.)

Case No. EO-99-599

FILED²
OCT 6 1999
Missouri Public
Service Commission

AMENDMENT TO JOINT APPLICATION

COMES NOW, Union Electric Company d/b/a AmerenUE ("AmerenUE") and Ozark Border Electric Cooperative ("Cooperative"), hereinafter referred to collectively as "Applicants," amending their Joint Application to the Missouri Public Service Commission ("Commission"), in Case No. EO-99-599. The Applicants state as follows:

1. On June 16, 1999, the Applicants filed a Joint Application requesting the Commission issue an order (1) approving Applicants' territorial agreement (the "Territorial Agreement"); (2) authorizing the sale, transfer, and assignment of certain Electric Distribution Facilities, Easements, and other rights generally constituting AmerenUE's electric utility business associated with its customers transferred pursuant to the Territorial Agreement; (3) authorizing AmerenUE to extinguish all Commission Certificates of Convenience and Necessity under which AmerenUE operates its retail electric business in Butler County and portions of Dunklin, New

Madrid, and Stoddard Counties; (4) authorizing AmerenUE to terminate its retail electric service to the public in Butler County and portions of Dunklin, New Madrid, and Stoddard Counties as a public utility subject to the jurisdiction of the Commission, and, in connection therewith, relieving AmerenUE of all public utility obligations with respect to its retail electric utility business in Butler County and portions of Dunklin, New Madrid, and Stoddard Counties, pursuant to said Certificates of Convenience and Necessity; and (5) terminating all other duties, obligations, and conditions which have resulted from or have been imposed by law or because of the Commission's jurisdiction over AmerenUE as an electric utility with respect to AmerenUE's retail electric business in Butler County and portions of Dunklin, New Madrid, and Stoddard Counties,

2. The City of Poplar Bluff ("Poplar Bluff"), the City of Malden ("Malden"), and the Stoddard County Intervenors requested to intervene in this Case and the Commission granted their requests for intervention on August 4, August 31, and September 7, 1999, respectively.

3. All parties in Case No. EO-99-599 have reached an agreement settling all issues in the case and they finalized this agreement in the form of a Unanimous Stipulation and Agreement. This Unanimous Stipulation and Agreement was filed with the Commission on October 4, 1999. The terms of the Unanimous Stipulation and Agreement requires that certain changes be made to the Territorial Agreement.

4. Therefore, the Applicants hereby amend the Joint Application as follows:

A. Exhibit A to the Joint Application is deleted in its entirety and is replaced by the Revised Territorial Agreement between Union Electric Company d/b/a AmerenUE and Ozark Border Electric Cooperative dated October 4, 1999 ("Revised Territorial Agreement"), a copy of the which has been marked as Exhibit A, is attached hereto, is incorporated by reference into Joint Application, and made a part thereof for all purposes.

The Revised Territorial Agreement incorporates the changes to the Territorial Agreement required by the Unanimous Stipulation and Agreement.

B. Exhibit D to the Joint Application is deleted in its entirety and is replaced by the Revised Exhibit D, a copy of which is attached hereto, is incorporated by reference into Joint Application, and made a part thereof for all purposes. Revised Exhibit D includes Sections 17, 20, 29 in Township 21 North Range 10 East in Dunklin County, which were inadvertently not included in the prior version of Exhibit D.

C. Exhibit F, "List of Customers to be Transferred from Ozark Border Electric Cooperative to AmerenUE" is deleted in its entirety, since the Revised Territorial Agreement does not require the transfer of any Cooperative members to AmerenUE.

5. All other Exhibits to the Joint Application are unchanged by this amendment and remain in full force and effect.

WHEREFORE, Applicants respectfully request the Commission to issue an Order in Case No. EO-99-599:

A. Finding that the Revised Territorial Agreement pursuant to Sections 394.312, 394.315 and 393.106 RSMo. (1994) is in the public interest, and therefore approving the Revised Territorial Agreement;

B. Authorizing AmerenUE and Cooperative to perform in accordance with the terms and conditions of the Revised Territorial Agreement;

C. Finding that the Revised Territorial Agreement shall not impair AmerenUE's certificates of convenience and necessity, except as specifically limited by the Revised Territorial Agreement;

D. Waiving the Commission's Billing Practices Rule and allowing the Applicants to disconnect electric service to a customer who fails to pay the final bill of the other Applicant;

E. Granting Applicants the authority to change electric service providers for certain customers, pursuant to the terms of the Revised Territorial Agreement, pursuant to Sections 394.312, 394.315 and 393.106 RSMo. (1994);

F. Granting Applicants the authority to transfer certain property, pursuant to the Revised Territorial Agreement;

G. Authorizing AmerenUE to extinguish all Certificates of Convenience and Necessity under which AmerenUE operates its retail electric business in Butler County and land sections in Dunklin, New Madrid, and Stoddard Counties as shown in Revised Exhibit D, Section I of the Joint Application;

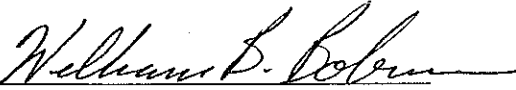
H. Authorizing AmerenUE to terminate its retail electric service to the public in Butler County and said land sections of Dunklin, New Madrid, and Stoddard Counties as a public utility subject to the jurisdiction of the Commission, and, in connection therewith, relieving AmerenUE of all public utility obligations with respect to its retail electric utility business in Butler County and said land sections of Dunklin, New Madrid, and Stoddard Counties, pursuant to said Certificates of Convenience and Necessity;

I. Terminating all other duties, obligations, and conditions which have resulted from or have been imposed by law or because of the Commission's jurisdiction over AmerenUE as an electric utility with respect to AmerenUE's retail electric business in Butler County and said land sections in Dunklin, New Madrid, and Stoddard Counties;

J. Approving the Unanimous Stipulation and Agreement; and

K. Authorizing AmerenUE to enter into, execute, and perform in accordance with the terms of all other documents reasonably necessary and incidental to the performance of the transactions that are the subject of the Revised Territorial Exchange Agreement.

UNION ELECTRIC COMPANY
d/b/a AmerenUE

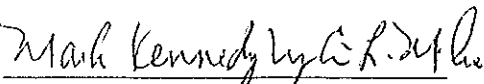
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ATTORNEYS FOR OZARK BORDER
ELECTRIC COOPERATIVE

REVISED EXHIBIT A

**Revised Territorial Agreement between Union Electric Company and
Ozark Border Electric Cooperative**

REVISED
TERRITORIAL AND EXCHANGE AGREEMENT

Between

UNION ELECTRIC COMPANY
d/b/a AMERENUE

and

OZARK BORDER ELECTRIC COOPERATIVE

TERRITORIAL AND EXCHANGE AGREEMENT

This Agreement is made and entered into as of the 21st day of October, 1999, by and between UNION ELECTRIC COMPANY d/b/a/ AmerenUE (hereinafter "Company") and OZARK BORDER ELECTRIC COOPERATIVE, Inc. (hereinafter "Cooperative").

RECITALS

- A. Company is authorized by law to provide electric service within the State of Missouri, including all or portions of Madison, Iron, Stoddard, Dunklin, Butler, New Madrid, and Reynolds Counties.
- B. Cooperative is authorized by law to provide electric service within the State of Missouri, including all or portions of Bollinger, Butler, Carter, Dunklin, New Madrid, Reynolds, Ripley, Stoddard and Wayne Counties.
- C. The Missouri Legislature by RSMo. Section 394.312 (1994) has authorized electrical corporations and rural electric cooperatives to enter into written territorial agreements;
- D. Company and Cooperative desire to promote the orderly development of the retail electric service within portions of the above referenced counties in Missouri, and to minimize disputes which may result in higher costs in serving the public; and
- E. Company and Cooperative desire to reduce the wasteful duplication of Customer Service Equipment and offer improved level of service to their Customers.
- F. In order to reach these desired goals, Company and Cooperative have entered into a Territorial and Exchange Agreement dated June 4, 1999. Now, Company and Cooperative wish to change certain terms and conditions of that agreement.

AGREEMENT

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged,

the Parties agree as follows:

ARTICLE 1.

DEFINITIONS

In addition to terms defined elsewhere herein, when used herein, the following terms shall have the definitions set forth below. Words importing persons include corporations or other entities, as applicable, and words importing on the singular include the plural and vice versa when the context requires.

- 1.1 **Agreement** shall mean this document including any appendices or exhibits hereto.
- 1.2 **Customer** shall mean any person, partnership, corporation, limited liability company, political subdivision, or any agency, board, department or bureau of the state or federal government, or any other legal entity that has requested or is receiving electric service. Any Customer who has requested or is receiving electric service at one structure shall be a new and different Customer at each structure at which electric service has been requested.
- 1.3 **Customer Service Equipment** shall mean all lines or conductors with nominal voltage of 15,000 volts or less, phase to phase; all transformers, regulators, capacitors, poles, meters, equipment and installations connected thereto necessary for the distribution of electricity through said lines or necessary for the support of said lines; and all rights, privileges, easements, appurtenances and immunities in land on which such lines, conductors, poles, equipment and installations are located; provided, however, "Customer Service Equipment" shall not include poles and any structures supporting lines and conductors with nominal voltage of more than 15,000 volts regardless of whether such poles or structures also support lines and conductors with nominal voltage of 15,000 volts or less.
- 1.4 **Effective Date** of this Agreement shall be the effective date of the Order issued by the Missouri Public Service Commission, pursuant to RSMo. Section 394.312, approving this Agreement.

- 1.5 **Electric Power Provider** shall mean any other electric corporation and/or rural electric cooperative.
- 1.6 **Existing Structure** shall mean any structure that receives electric energy from either party prior to or on the effective date of this Agreement. "Existing Structure" shall also mean (i) any replacement of an existing structure, provided said structure is totally removed and replaced by a structure used for the same purpose, and (ii) any maintenance, repair, remodeling, or partial replacement of an existing structure.
- 1.7 **New Outbuilding** shall mean a garage, barn, water pump/well, water tower, silo, grain bin, or similar non-residential structure that is not attached to an existing structure and is either (i) constructed after the Effective Date of this Agreement or (ii) on the Effective Date of the Agreement exists but is not being supplied with electric energy by either Company or Cooperative.
- 1.8 **New Structure** shall mean (i) any structure that did not receive electric energy from either party prior to or on the effective date of this Agreement and (ii) the replacement of an existing structure with a structure that does not satisfy the definition of existing structure set forth herein.
- 1.9 **Period of Implementation** shall mean that time period that begins on the Effective Date of this Agreement and ends on the date when all transfers allowed under this Agreement have been completed. The Period of Implementation shall include the beginning and ending dates.
- 1.10 **Structure** shall mean an agricultural, residential, commercial, industrial or other building or a mechanical installation, machinery or apparatus but shall not include customer-owned meter wiring. A Structure shall include an original structure and any contiguous addition to or expansion thereto. Structure shall not include a metering device or customer-owned meter wiring.
- 1.11 **Transferee** shall mean the party receiving any and all interests in Customer Service Equipment and any and all rights to serve Customers. Any reference herein to Transferee shall apply to both parties in their capacity accepting such transfer.
- 1.12 **Transferor** shall mean the party granting, conveying, or assigning any and all interests in Customer Service Equipment and any and all rights to serve Customers. Any reference

herein to Transferor shall apply to both parties in their capacity in effecting such transfer.

- 1.13 **Laws and Regulations** shall mean all applicable statutes, regulations, codes, laws, licenses, decisions, interpretations, policy statements, regulatory guides, rules, criteria, all license requirements enforced or issued by any government, federal, state, or local, or any governmental agency, authority, or body and industry-recognized guidelines and professional standards.

ARTICLE 2.

EXCLUSIVE RIGHT TO SERVE

- 2.1 After the Effective Date, as between the parties, each party shall have the exclusive right to furnish electric service to all New Structures located within its respective exclusive service area described in Articles 3 and 4 of this Agreement, regardless of the size of the load or the characteristics of the customer's requirements. Except as provided expressly herein, neither party may furnish, make available, render, or extend electric service to New Structures or for use within the exclusive service area of the other party, either directly, indirectly or through a subsidiary corporation or other entity controlled by the party.
- 2.2 Pursuant to this Agreement, Company will transfer to Cooperative on the Closing Date the Customer Service Facilities identified in Exhibit 3. Said Customer Service Facilities are used by the parties to distribute electric energy to certain Existing Structures (hereinafter the "Associated Existing Structures"). After the Closing, Cooperative shall have the exclusive right to furnish electric service to all Associated Existing Structures located within its respective exclusive service area as described in Article 3 of this Agreement, regardless of the size of the load or the characteristics of the Customer's requirements. Except as provided in the foregoing, both Parties retain the right to furnish electric service to all other Existing Structures that they are serving on the Effective Date of this Agreement, regardless of their location.
- 2.3. No existing Cooperative members in the exclusive service area of Company will be transferred from Cooperative to Company on the Closing Date. No Existing Structure served by Cooperative and located in the exclusive service area of Company (hereinafter "Affected Structure") will be transferred to Company without the express consent of the

owner of the Affected Structure, and the consent provision will apply to current owners of Affected Structures and their successors in title. Notwithstanding the foregoing, any Cooperative member may elect to have electric service for an Affected Structure owned by such member transferred from the Cooperative to Company. Cooperative, hereby, consents to transfers of this type and agrees not to institute any legal proceedings to block, delay, or in any way hinder these transfers. There will be no charge to the Cooperative member for a transfer of an Affected Structure done pursuant to this section. After the transfer, Company shall have the exclusive right to furnish electric service to the Affected Structure located within its respective exclusive service area as described in Article 4 of this Agreement, regardless of the size of the load or the characteristics of the Customer's requirements.

- 2.4. If it is uneconomical or technically infeasible for Company to serve an Affected Structure at the time a transfer is requested, then Cooperative agrees to continue to serve said Affected Structure until Company is able to implement the transfer. The Customer Service Equipment used to serve the Affected Structure shall be transferred from Cooperative to Company with the Affected Structure. Company and Cooperative agree to work together to transfer Cooperative facilities in the exclusive service area of Company in a manner that maximizes the benefits of the territorial agreement. Until said Customer Service Equipment is transferred to Company, Cooperative shall own and maintain said Customer Service Equipment.
- 2.5 For new electric service requests prior to the Closing Date, the parties will meet and determine the party and means to serve the new customer. Unless otherwise agreed to by the parties, the new customer shall be served from such customer equipment that will be more efficient to serve the customer.

ARTICLE 3.

EXCLUSIVE SERVICE AREA OF COOPERATIVE

The exclusive service area of Cooperative, as between the parties, under this Agreement shall be those portions of Bollinger County (Figure 2), Butler County (Figure 3), Carter County (Figure 4), Dunklin County (Figure 5), New Madrid County (Figure 6), Reynolds County, (Figure 8), Ripley County (Figure 9), Stoddard County (Figure 11) and Wayne County (Figure 12), as is described by metes and bounds in Exhibit 1 and as illustrated by the line shown on the maps marked Figures 1-12. Cooperative may serve within municipalities that are located in Cooperative's exclusive service area, pursuant to this Agreement, dependent upon receipt of any required municipal consent.

ARTICLE 4.

EXCLUSIVE SERVICE AREA OF COMPANY

The exclusive service area of Company, as between the parties, under this Agreement shall be those portions of Madison County (Figure 10), Iron County (Figure 7), Dunklin County (Figure 5), New Madrid County (Figure 6), Reynolds County, (Figure 8) Stoddard County (Figure 11) as is described by metes and bounds in Exhibit 1 and as illustrated by the line shown on the maps marked Figures 1-12. All exhibits referred to in this Article are incorporated herein by reference and made a part of this Agreement as if fully set out verbatim. Company may serve within municipalities that are located in Company's exclusive service area, pursuant to this Agreement, dependent upon receipt of any required municipal consent.

ARTICLE 5.

OTHER ELECTRIC SYSTEMS

- 5.1 The exclusive service area of Cooperative as defined in Article 3 includes the City of Poplar Bluff, which operates and maintains municipally-owned electric facilities. Notwithstanding this Agreement, should Poplar Bluff cease to operate and maintain its municipally-owned electric facilities and sell such facilities to either party, either party may serve within the incorporated boundaries of Poplar Bluff as it exists on the date municipality and such party agree on a sale of Poplar Bluff's facilities to such party ("Sale Date") pursuant to the following terms and conditions:

In the event that Poplar Bluff sells its facilities to Company then;

- A. Company shall have the power to serve the Structures being served by such municipality on the Sale Date.
- B. Following the purchase of such municipality's facilities by Company and the receipt of all required regulatory approvals, Company and Cooperative shall agree on an amendment to this Agreement ("the Amendment"). If a territorial agreement between Cooperative and the municipality exists prior to the Sale Date, the Amendment shall exclude from the exclusive service area of the Cooperative under this Agreement, the exclusive service area of the municipality under the territorial agreement between the Cooperative and the municipality. If no such territorial agreement exists on the Sale Date, the Amendment shall exclude from the exclusive service area of the Cooperative under this Agreement, certain territory lying within the municipality's incorporated boundaries. The boundaries of the area to be excluded from the exclusive service area, under this Agreement, of the Cooperative shall be that portion of the municipal's incorporated boundary as it exists on the Effective Date of this Agreement plus such portion of any territory annexed by the municipal after the Effective Date of this Agreement which territory is closer to the facilities acquired by Company from the municipal than to facilities of Cooperative as both such facilities exist on the Sale Date. In the event the parties cannot agree on the boundaries defined above within twelve (12) months after the Sale Date, the parties shall submit the issue of the appropriate boundaries to determination by the Missouri Public Service Commission as provided in RSMo. Section 394.312.2.

5.2 Notwithstanding the foregoing Article 5.1, the Cooperative shall be entitled to serve all of the Structures it was serving prior to the purchase of the municipal system by Company regardless of whether the Structures are located in territory deemed to be served by Company or Cooperative.

5.3 The exclusive service area of the Company as defined in Article 4 includes other Electric

Power Providers. Notwithstanding this Agreement, should any Electric Power Provider cease to operate and maintain its electric facilities and sell such facilities, merge, or otherwise transfer the service and facilities to the Cooperative, or the Cooperative's surviving entity, Cooperative and/or its surviving entity shall have the power to serve the structures which are receiving permanent service, as that term is defined in RSMo. § 394.315, from said Electric Power Provider and/or the Cooperative as of the date Cooperative and Electric Power Provider close and consummate the sale and/or merger (hereinafter "Reorganization Date").

5.4 Following the purchase, merger or other acquisition of any other Electric Power Provider's facilities by Cooperative and the receipt of all required regulatory approvals, Company and Cooperative shall within twelve (12) months after the Reorganization Date, submit an amendment to this Agreement ("the Amendment") to the Missouri Public Service Commission modifying this Agreement as follows:

- (A) For all counties covered by this Agreement, the parties shall determine if a territorial agreement between Company and the Electric Power Provider exists prior to the Reorganization Date. If a territorial agreement does exist, then the Amendment shall exclude from the Exclusive Service Area of the Company under this Agreement, the Exclusive Service Area of the other Electric Power Provider as defined in the territorial agreement between the Company and the other Electric Power Provider.
- (B) If no territorial agreement exists between Company and the other Electric Power Provider as of the Reorganization Date, Company and Cooperative, shall submit an Amendment, which removes all sections where the Electric Power Provider had Customer Service Equipment and customers/members from the Exclusive Service Area of Company as defined in this Agreement. Nothing in this section prohibits the parties in the Amendment from establishing new exclusive service areas in the affected service area in lieu of the above procedures.

5.5 Nothing in this Agreement in any way limits the existing or future service territory of either Poplar Bluff or any other municipal electric supplier, including those boundaries as set out in the Territorial Agreement between Ozark Border and Poplar Bluff, and Poplar Bluff and

any other municipally-owned electric supplier is and shall be free to serve anywhere it may legally choose without regard to the Territorial Agreement. Nothing herein (i) prohibits Poplar Bluff or any other municipally-owned electric supplier from serving any load or area they may otherwise legally serve now or in the future or (ii) affects the rights of Poplar Bluff, Company, Cooperative, or any other municipally-owned electric supplier under § 386.800 RSMo. 1994, including a municipality's right to annex territory.

ARTICLE 6

LOCATION OF A STRUCTURE

- 6.1 The location of a Structure for purposes of this Agreement shall be the geographical location at which electric energy is used, regardless of the metering point or point of delivery.
- 6.2 The first owner of a New Structure who requests and receives electric service at said Structure which is located on or crossed by any mutual boundary line, as described in Articles 3 and 4, defining the exclusive service areas of the parties shall be permitted to choose either party for permanent electric service; provided that the Customer's meter is installed within that party's exclusive service area. Thereafter that party shall exclusively serve that Structure.
- 6.3 Either party, if requested by an existing customer who is located in the exclusive service area of the other party, may provide its customer with additional facilities and/or electric service to New Outbuildings, so long as the New Outbuildings are located on the Consumer's contiguous tracts of land and the Purpose of the New Outbuildings, such as, but not limited to, agricultural or industrial, remains the same as that of the Existing Structure on the premises. This section shall apply to the original customer's successors who continue to reside at or operate the premises. This section shall not apply to a customer who receives electric service from both Company and Cooperative on the same tract of land, and requests additional electric service. These customers shall receive their additional electric service from the designated exclusive service provider, unless the customer, Company, and Cooperative agree otherwise and follow the procedures set out in Article 8.
- 6.4 Cooperative, if requested by a member who resides in an Existing Structure that is served by Cooperative and is located in Company's exclusive service area (hereinafter in this section

“Ozark Border Member”), shall have the right to serve any New Structure, so long as:

- A. the New Structure is located on a contiguous tract of land in a rural area as defined by RSMo. Chapter 394 where the Ozark Border Member resides, and
- B. the purpose of the New Structure is residential, and
- C. the New Structure is occupied by a relative of the Ozark Border Member.

This section shall apply to the Ozark Border Member’s successors who continue to reside at or operate the premises; provided, however, that Cooperative’s right to serve such New Structures shall automatically terminate when the Ozark Border Member or his/her successors change the nature and characteristics of the use of the premises, such as by subdividing the property or selling portions of the property to a non-related third party. In such event, Company shall provide service to any New Structure as set out in this Agreement. However, the Existing Structure retained by an Ozark Border Member who subdivides the property or sells a portion to a non-related third party, may continue to be served by Cooperative. Notwithstanding the foregoing, this section shall not apply to:

- A. An Ozark Border Member who receives electric service from both Company and Cooperative on the same tract of land, and requests additional electric service. These Ozark Border Members shall receive their additional electric service from Company, unless the Ozark Border Member, Company, and Cooperative agree otherwise and follow the procedures set out in Article 8.
- B. An Ozark Border Member who uses a relative as a straw party in order to transfer a portion of the Ozark Border Member’s property to a third party.

6.5 Water District No. 1 is a Cooperative member with facilities located within the exclusive service area of the Company. The parties agree that any new water well drilled by Water District No.1 shall be a New Outbuilding, wherever it is located, and as such may be served by Cooperative in accordance with Section 6.3.

6.6 The provisions of Article 6 apply only as between Company and Cooperative and shall not affect the rights of any non-party. Specifically, nothing in Article 6 shall apply if the New Structure is located within the service area of a municipally-owned electric supplier.

ARTICLE 7.
RIGHT TO CONSTRUCT FACILITIES

This Agreement shall in no way affect either party's right to construct such electric distribution and transmission facilities within the designated exclusive service area of the other as that party deems necessary, appropriate or convenient to provide electric service to its customers not inconsistent with the terms of this Agreement and as otherwise allowed by law.

ARTICLE 8.
CASE-BY-CASE EXCEPTION PROCEDURE

- 8.1 The parties may agree on a case-by-case basis by an Addendum hereto to allow a Structure to receive service from one party though the Structure is located in the exclusive service area of the other party.
- 8.2 Such Addendum shall be filed with the Executive Secretary of the Commission in the same manner as a motion or other pleading, with a copy submitted to the Office of Public Counsel. There will be no filing fee for these addenda.
- 8.3 Each Addendum shall consist of a notarized statement identifying the Structure, the party to serve the Structure, the justification for the Addendum, and indicating that the parties support the Addendum.
- 8.4 Each Addendum shall be accompanied by a notarized statement, signed by the customer to be served, which acknowledges such customer's receipt of notice of the contemplated electric service to be provided and that the Addendum represents an exception to the territorial boundaries approved by the Commission and shall indicate the customer's consent to be served by the service provided contemplated by the Addendum.
- 8.5 If the Commission Staff or Office of the Public Counsel do not submit a pleading objecting to the Addendum within forty-five (45) days of the filing thereof, the Addendum shall be deemed approved by the aforesaid parties. Each Addendum shall contain a statement in bold uppercase typeface indicating that the Staff or Office of the Public Counsel have forty-five (45) days to oppose the Addendum or else the Addendum shall be deemed approved by the

aforesaid parties.

- 8.6 Each party, pursuant to an executed Addendum, shall have the right to provide temporary service, as defined in Section 393.106 RSMo., until the Commission approves or disapproves the Addendum. No party shall be required to remove any facilities installed pursuant to an agreement until the effective date of an Order of the Commission or a court regarding the removal of same.

ARTICLE 9.

EFFECTIVE DATE, PURCHASE PRICE, TERM, AND CONDITIONS OF PERFORMANCE

- 9.1 **Effective Date.** The Effective Date of this Agreement shall be the effective date of the Order issued by the Missouri Public Service Commission pursuant to Section 394.312, RSMo. approving this Agreement
- 9.2 **Term of Agreement.** The term of this Agreement shall be perpetual.
- 9.3 **Conditions of Performance.** Performance of the parties is contingent upon all of the following having occurred no later than December 31, 1999, unless such condition is waived, extended or modified by agreement, in writing, signed by an officer of each party hereto:
- A. All required approvals of both the Company's and Cooperative's Board of Directors;
 - B. Approval of the transaction by the Commission, including but not limited to, a waiver of provisions of the Utility Billing Practices Rule, 4 CSR 240-13.010 et seq., which would prohibit Company or Cooperative from discontinuing service for a customer's failure to pay a delinquent account owed to the other party;
 - C. Company reaching agreement with M&A Electric Power Cooperative and Associated Electric Cooperative regarding generation and transmission issues affected by this Agreement;
 - D. Approval by the Federal Energy Regulatory Commission to the extent of its

jurisdiction, if required; and

E. Approval by the Securities and Exchange Commission to the extent of its jurisdiction, if required.

9.4 **Purchase Price.** In addition to the other good and valuable consideration received by Company under this Agreement, Cooperative agrees to pay Company the cash amount of Nine Hundred and Seventy Four Thousand Dollars and No Cents (\$974,000.00) ("Purchase Price").

ARTICLE 10.

CLOSING AND TRANSFER OF CUSTOMER SERVICE EQUIPMENT AND CUSTOMERS

10.1 **Closing.** The parties shall mutually agree on a closing date ("the Closing Date") in order to close as promptly as possible, but in no event later than two (2) years after the Effective Date of this Agreement unless mutually extended in writing by the parties. Closing shall be during business hours at such time and place as the parties mutually agree or by mail.

10.2 **Duties.** At the time of closing, Company shall deliver (i) the documents of title, including a Bill of Sale to the Customer Service Equipment; (ii) the assignment agreements (excepting railroad licenses which will be delivered as soon as practical after closing) and consents thereto, where applicable, for the easements and contractual arrangements; and (iii) the release Customer Service Equipment, the easements, and contractual arrangements from all liens created by Company which are of a definite or ascertainable amount which may be removed by the payment of money, including, as appropriate, the lien of its indenture of Mortgage and Deed of Trust, dated June 15, 1937, as amended and supplemented ("Company's Mortgage"); and shall have made a good faith effort to release the easements from all such liens. Notwithstanding the foregoing, Company shall have no obligation to release the following liens and encumbrances: (1) private and public utility and drainage easements; (2) rights-of-way for roads, alleys, streets, and highways; (3) zoning regulations; and (4) building, lines and use or occupancy restrictions, conditions and covenants. In addition to the consideration of this Agreement, Cooperative shall pay Company the Purchase Price, to be wired transferred in accordance with the instructions provided by

Company to Cooperative.

10.3 **Recording Fees.** Each party shall bear the costs for recording fees for the instruments that it desires to record.

10.4 **Customer Service Equipment.**

A. **Company.** Company shall transfer all of its Customer Service Equipment described in Exhibit 3, which is located within Cooperative's exclusive service area to Cooperative. Company's Customer Service Equipment shall be transferred by identifiable lines or line segments during the Period of Implementation. The exact timing of such transfers shall be in accordance with future agreement of the parties. Company's right to serve the associated Existing Structures transfers to Cooperative upon transfer of said Customer Service Equipment.

B. **Cooperative.** During the Period of Implementation, Cooperative shall periodically transfer portions of its Customer Service Equipment located within Company's exclusive service area to Company. Since Company and Cooperative agree to work together to transfer Cooperative facilities in the exclusive service area of Company in a manner that maximizes the benefits of this Agreement, the parties shall periodically identify those portions of Cooperatives Customers Service Equipment that are to be transferred to the Company. These portions shall be identified by specific lines or line segments. The parties shall mutually agree on a closing date ("Mini Closing Date") for each periodic transfer. The Mini Closing shall be during business hours at such time and place as the parties mutually agree or by mail.

C. **Mini Closing Duties.** At each Mini Closing, Cooperative shall deliver (i) the documents of title, including a Bill of Sale to the Customer Service Equipment being transferred; (ii) the assignment agreements (excepting railroad licenses which will be delivered as soon as practical after closing) and consents thereto, where applicable, for the associated easements and contractual arrangements; and (iii) the release for the transferred Customer Service Equipment, the associated easements, and contractual from all liens created by Cooperative which are of a definite or ascertainable amount which

may be removed by the payment of money, including, as appropriate, or all liens held by Rural Utility Services or National Utilities Cooperative Finance Corporation (CFC) ("Cooperative's Mortgages"); and shall have made a good faith effort to release the easements from all such liens. Notwithstanding the foregoing, Cooperative shall have no obligation to release the following liens and encumbrances: (1) private and public utility and drainage easements; (2) rights-of-way for roads, alleys, streets, and highways; (3) zoning regulations; and (4) building, lines and use or occupancy restrictions, conditions and covenants.

D. Time of Transfer. The transfer of any line or line segment shall be deemed to have occurred at the point in time the line is energized by the Transferee's system or at such time as the parties agree the Transferee is receiving power, pursuant to the Interchange Agreement between Associated Electric Cooperative and Company, entered into on June 28, 1978, as amended, without regard to the execution or delivery of any documentation evidencing the Transfer.

E. Title and Risk of Loss. Upon the transfer of the Customer Service Equipment, the Risk of Loss shall pass from Transferor to Transferee and the Transferee shall become responsible and liable for the condition of the Customer Service Equipment and service provided by such Customer Service Equipment. Title to the Customer Service Equipment, easements, and contractual arrangements shall pass upon transfer of the documents of title at closing.

10.5 Customers Transferred to Cooperative. In accordance with the procedure set forth in Article 11, Company shall transfer its Customers to the other party simultaneous with the Customer Service Equipment serving the Customers. Except as provided in Article 11 herein, Cooperative shall thereafter provide electric service to the Associated Existing Structures, and Company shall not provide electric service to those Structures. Company shall retain all accounts receivable related to transferred Customers through the time that Customers are transferred to Cooperative. Company shall be entitled to receive all money paid to either Company or Cooperative on said accounts. As each Customer is transferred from Company to Cooperative, Company shall read the Customer's meter and provide a final bill to them for the service received. Security deposits and accrued interest

existing at the time of transfer shall be credited to the Customer on the final bill. If Company does not receive payment of the final bill within sixty (60) days of the date of its remittance, it may identify Cooperative as its agent to collect the accounts receivable. Cooperative agrees to take all actions as may be necessary to collect the final bill, including, but not limited to, the disconnection of service. Any payments on said accounts received by Cooperative shall be remitted promptly to Company.

10.6 Customers Transferred to Company. Any Customer whose structure is located in the exclusive service area of Company may request to transfer his electric service from Cooperative to Company. If it is uneconomical or technically infeasible for Company to serve the Customer's Affected Structure at the time a transfer is requested, then Cooperative agrees to continue to serve said Affected Structure until Company is able to implement the transfer. Otherwise, Company and Cooperative shall agree upon a date to transfer the Customer's electric service. At the agreed upon date, Cooperative shall read the Customer's meter and provide a final bill to them for the service received. Security deposits and accrued interest existing at the time of transfer shall be credited to the Customer on the final bill. If the Cooperative does not receive payment of the final bill within sixty (60) days of the date of its remittance, it may identify the Company as its agent to collect the accounts receivable. The Company agrees to take all actions as may be necessary to collect the final bill, including but not limited to the disconnection of service. Any payments on said accounts received by the Company shall be remitted promptly to Cooperative. Cooperative's right to serve the associated Affected Structures transfers to Company upon transfer of the Customer's electric service.

ARTICLE 11.

IMPLEMENTATION OF THE TRANSFERS

- 11.1 **Interim Operations and Continued Service.** Transferee shall take responsibility for the operation and maintenance of the Customer Service Equipment at the time of transfer as defined in Article 10.4 above. Until Customers are transferred from Transferor's facilities to Transferee's facilities, Transferor will continue to provide electricity, respond to emergency service calls, read meters, and bill Customers, if requested by the Transferee. The parties agree to cooperate during this interim period in order to minimize any adverse impact on Customers.
- 11.2 **Limited Access Granted.** In order to implement this Agreement, each party ("Licensor") hereby grants the other party ("Licensee") a license to access and use its Customer Service Facilities, located in the exclusive service area of the other, and their respective Easements ("the Licensed Property") to perform those tasks necessary to implement this Agreement and in the case of Company to serve New and Existing Structures. This license shall be in effect during the Period of Implementation.

ARTICLE 12.

RECORDS

Each party shall give to the other party, its accountants, counsel and other representatives, during normal business hours from the date hereof to the appropriate closing dates, access to its books, records, contracts and commitments related to this transaction and shall furnish the other party such period with information concerning its affairs as the other party may reasonably request with respect to the various transactions contemplated hereby. In the event that after any closing, any controversy or claim by or against either party arises out of this transaction or the subject matter hereof, either party shall make available to the other, copies of such relevant records as may reasonably be requested pertaining thereto.

ARTICLE 13.

ACCESS FOR SURVEYS AND INSPECTIONS

- 13.1 **Surveys and Inspections.** Each party, by the limited licenses granted in Article 11, permits the other party or the other party's representatives to enter upon the Easements for the

purposes of making surveys and environmental and other inspections. Each party shall provide other party with true copies of all documents pertaining to this transaction reasonably requested by other party.

- 13.2 **Environmental Inspections.** Each party may, at its expense, make or cause to be made an environmental study of the Customer Service Facilities and/or Easements. That party shall be excused from performance of this Agreement if its environmental study reveals significant potential liability arising from environmental causes in connection with the Facilities and/or Easements; provided, however, that in order to exercise this option to be excused, said party must so notify in writing the other party not later than two months from the date of this Agreement. Both parties shall cooperate fully in any environmental study, and both parties shall answer questions and give such permission for entry and for sampling as may be reasonably required therefor.

ARTICLE 14.

WARRANTIES AND DISCLAIMERS OF WARRANTIES OF TRANSFEROR

- 14.1 **Transferor** represents and warrants to Transferee that all Customer Service Equipment exchanged and transferred pursuant to this Agreement is transferred by Transferor and accepted by Transferee **AS IS** and where they stand at the Transferee's risk. **ANY DESCRIPTION OF THE CUSTOMER SERVICE EQUIPMENT CONTAINED IN THIS AGREEMENT IS FOR THE SOLE PURPOSE OF IDENTIFYING THE CUSTOMER SERVICE EQUIPMENT, IS NOT A PART OF THE BASIS OF THE BARGAIN, DOES NOT CONSTITUTE A WARRANTY THAT THE CUSTOMER SERVICE EQUIPMENT SHALL CONFORM TO THAT DESCRIPTION. NO AFFIRMATION OF FACT OR PROMISE MADE BY TRANSFEROR, NOT CONTAINED IN THIS AGREEMENT, SHALL CONSTITUTE A WARRANTY THAT THE CUSTOMER SERVICE EQUIPMENT WILL CONFORM TO THE AFFIRMATION OR PROMISE.**
- 14.2 **DISCLAIMER.** EXCEPT AS STATED IN THE FOREGOING PROVISION, TRANSFEROR MAKES NO WARRANTIES OF ANY KIND AND DISCLAIMS ALL WARRANTIES, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESSED, OR

IMPLIED (INCLUDING ANY WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY AND WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE) WITH RESPECT TO THE PROPERTY TRANSFERRED TO TRANSFEREE UNDER THIS AGREEMENT.

**ARTICLE 15.
NO ASSUMPTION OF LIABILITIES**

Both parties acknowledges that the other party is acquiring the Customer Service Equipment, Easements and Contractual Arrangements without any assumption of the transferring party's liabilities except as expressly assumed in writing prior to the applicable closing date by the party acquiring the Customer Service Equipment, Easements and Contractual Arrangements after full disclosure of the nature of liability by the transferring party. Both parties covenant that it shall fully and timely satisfy its liabilities not assumed by the other party hereunder, but relevant to the transactions contemplated hereunder, or the subject matter hereof including without limitation all and any liabilities which shall have accrued prior to the Closing Date.

**ARTICLE 16.
CONSEQUENTIAL DAMAGES**

Except as expressly provided for in this Agreement, whether under contract, tort (including negligence, gross negligence, and strict liability), warranty, or otherwise, shall either party to this Agreement be liable to the other for any incidental, special, or consequential damages or indirect losses of any nature arising out of, connected with, or resulting from the performance of, or failure to perform under, this Agreement, including without limitation, lost future profits, loss of use of facilities, or costs of capital.

**ARTICLE 17.
INDEMNIFICATION AND RELEASE**

The parties intend that during the term of the license provided for Section 11.2, each Licensee shall assume the risks of loss and of liability respecting the Licensed Property due to Licensee's access and use. Accordingly:

- A. Each Licensee hereby releases its Licensor, the directors, officers, employees,

attorneys, and agents of said Licensor, from any loss of or damage to any of the Licensed Property caused by Licensee's access and use during the term of said license; and

B. Each Licensee shall indemnify and hold harmless its Licensor, the directors, offices, employees, attorneys, and agents of said Licensor (collectively "Indemnitee") from and against all liabilities, costs and expenses, including without limitation reasonable attorneys' fees, incurred by the Indemnitee by reason of any injury to or death of any employee of Licensee or third party; or damage to the property of any employee of Licensee or third party arising out of or involving Licensee's access or use of the Licensed Property and occurring during the term of said license. The foregoing release and indemnity shall apply irrespective of whether said loss, damage, personal injury, or death **WAS CAUSED BY THE LICENSED PROPERTY OR ALLEGED TO HAVE BEEN CAUSED BY THE NEGLIGENCE OF THE LICENSOR.** For purposes of the foregoing indemnification, neither party hereto shall be deemed the agent of the other party.

ARTICLE 18.

FORCE MAJEURE

- 18.1 **Force Majeure.** Neither party shall be liable under this Agreement for damages occasioned by delay in performance or failure to perform its obligations under this Agreement if the delay or failure results from causes beyond its reasonable control and without the fault or negligence of the party so failing to perform or its contractors or agents.
- 18.2 **Notice.** The party whose performance is affected shall immediately notify the other party indicating the cause and expected duration of such failure and the delay, which it will cause, and shall continue to keep the other party notified of the situation.
- 18.3 **Obligations of Affected Party.** The party whose performance is affected by an event of force majeure shall use all reasonable efforts to avoid or minimize the consequences of delay or failure, shall continue with its obligations after the cause of the delay or failure ceases to exist, but shall not be required to settle a strike, work stoppage, or other labor disputes.

ARTICLE 19.

TAXES

- 19.1 **Taxes Upon Transfer.** This transaction is exempt by law from any sale or transfer taxes, and thus the parties do not anticipate that there will be any taxes on the sale or transfer of the Customer Service Equipment or real property transferred hereunder. If any such taxes are assessed, the parties may choose either to contest such assessments, in which case costs shall be divided equally between the parties, or to pay the tax, in which case the parties shall agree to contribution percentages.
- 19.2 **Property Taxes.** Each party shall be responsible for paying for the Property taxes associated with the Customer Service Equipment and real property for the calendar year of each closing, regardless of the closing date.
- 19.3 **Other Taxes.** Transferor shall be responsible all license, gross receipts, and franchise taxes owed to the appropriate governmental agency on service to individual Customers until those Customers are transferred to Transferee's facilities. Transferor shall be solely responsible for any interest and/or penalties to the extent of any failure of Transferor to pay when due any license, gross receipts, and franchise taxes that Transferor is responsible for paying, as provided above.

ARTICLE 20.

TERMINATION

- 20.1 **Termination Events.** This Agreement and the transactions contemplated by this Agreement may be terminated by either Company or Cooperative if (i) the requirements of Section 13.2 of this Agreement are met, or (ii) the requirements of Section 22.2 of this Agreement are met.
- 20.2 **Effect of Termination.** If the transactions contemplated by this Agreement are terminated as provided herein each party shall pay the costs and expenses incurred by it in connection with this Agreement, and no party (or any of its officers, directors, employees, agents, attorneys, representatives, or shareholders) shall be liable to any other party for any costs, expenses, or damages; except as provided herein, neither party shall have any liability or further obligation to the other party to this Agreement.

ARTICLE 21.

FITNESS OF PROPERTY

- 21.1 Each party shall repair and maintain the Customer Service Equipment to be transferred to the other party under this Agreement in good state of repair through the date of closing, ordinary wear and tear excepted, and shall not dispose of any of such items except in the normal course of business without the other party's consent.
- 21.2 If, between the time this Agreement is executed and the respective closing date, a significant portion of the Customer Service Equipment to be transferred to a party is damaged or destroyed beyond normal wear and tear by fire, flood, tornado, high wind, or other Act of God or Nature, the parties shall attempt in good faith to achieve a mutually satisfactory agreement for the repair and restoration of such equipment.
- 21.3 If any portion of a party's Facilities, Easements or Contractual Arrangements is taken through condemnation, during the period between execution of this Agreement and the Closing, the other party shall be entitled to the condemnation award(s).

ARTICLE 22.

NOTICES

All notices, reports, records, or other communications which are required or permitted to be given to the parties under this Agreement shall be sufficient in all respects if given in writing and delivered in person, by fax, by overnight courier, or by registered or certified mail, postage prepaid, return receipt requested, to the receiving party at the following address:

If to Cooperative:
OZARK BORDER ELECTRIC COOPERATIVE
Attention: Stanley Estes
Manager
P.O. Box 400
Poplar Bluff, Missouri 63902
Phone: 573-785-4631
Telecopy: 573-785-1853

If to Company:
AMERENUE
Attention: William J. Carr
One Ameren Plaza
1901 Chouteau Avenue
St. Louis, Missouri 63103
Phone: 314-554-3990
Telecopy: 314-554-6454

or to such other address as such party may have given to the other by notice pursuant to this Section. Notice shall be deemed given on the date of delivery, in the case of personal delivery or

fax, or on the delivery or refusal date, as specified on the return receipt, in the case of overnight courier or registered or certified mail.

ARTICLE 23.

MISCELLANEOUS

- 23.1 **Assignment.** This Agreement shall be binding on the parties and subsidiaries, successors, assigns and corporate parents or affiliates of Company and Cooperative. Neither party shall make any assignment of any of its rights or interests under this all subsidiaries, successors, assigns and corporate parents or Agreement without the written consent of the other party, which consent shall not be unreasonably withheld, and approval of the Commission. Notwithstanding the foregoing, in the event of a merger, corporate reorganization, or corporate restructuring of a party, said party may assign this Agreement to the corporate entity responsible for providing distribution level electric service in the area covered by this Agreement and the consent of the other party shall be deemed to be given. The consenting party or party whose consent is deemed to be given shall cooperate in obtaining approval of the assignment by (a) participating in the joint application requesting Commission approval of the assignment and (b) providing an affidavit, stating that it consents to the Assignment, for inclusion in such application.
- 23.2 **Governing Law.** This Agreement shall be governed by, construed, and enforced in accordance with, and its validity shall be determined under, the laws of the State of Missouri.
- 23.3 **Entire Agreement and Amendments.** This Agreement constitutes the entire agreement of the parties in this matter, whether oral and written, including the Territorial and Exchange Agreement dated June 4, 1999. No modification, amendment, deletion, or other change in this Agreement or the boundaries described in the Agreement shall be effective for any purpose unless specifically set forth in writing and signed by both parties and approved by the Commission.
- 23.4 **Headings.** Headings and titles contained in this Agreement are included for convenience only and shall not be considered for purposes of interpretation of this Agreement.
- 23.5 **Joint Application and Impact of Commission or Court Orders.** Each party will cooperate

in presenting a joint application showing such transfer to be in the public interest. The filing fee for this application, pursuant to 4 CSR 240-21.010, shall be split between the parties. If the Commission does not approve the provisions of this Agreement, then it shall be nullified and of no legal effect between the parties. Further, if any part of this Agreement is declared invalid or void by a Court or agency of competent jurisdiction, then the whole Agreement shall be deemed invalid and void. Notwithstanding the foregoing, any Customer Service Equipment transferred by bill of sale and assignment of rights, pursuant to this Agreement, prior to the date of such court or agency decision, shall remain the property of the Transferee and Company shall be entitled to keep the Purchase Price.

- 23.6 **Survival.** Obligations under this Agreement, which by their nature would continue beyond the termination, cancellation or expiration of this Agreement, shall survive termination, cancellation or expiration of this Agreement. All representations and warranties, and rights and duties hereunder, except for those that are fully executed at each closing, shall survive the closing.
- 23.7 **No Waiver.** If a party has waived a right under this Agreement on any one or more occasions, such action shall not operate as a waiver of any right under this Agreement on any other occasion. Likewise, if a party has failed to require strict performance of an obligation under this Agreement, such action shall not release the other Party from any other obligation under this Agreement or the same obligation on any other occasion.
- 23.8 **Further Assurances.** The parties shall execute such other documents and perform such other acts as may reasonably be necessary in order to give full effect to this Agreement.
- 23.9 **Company's Service Territory Outside This Agreement.** Company has service territories outside of the areas covered by this Agreement. For service outside of the areas described by this Agreement, Company will continue to operate without regard to this Agreement
- 23.10 **Cooperative's Service Territory Outside This Agreement.** Cooperative has service territories outside of the areas covered by this Agreement. For service outside of the areas described by this Agreement, Cooperative will continue to operate without regard to this Agreement.

23.11 **Expenses.** Except as otherwise expressly provided herein, all expenses incurred by the parties hereto in connection with or related to the authorization, preparation and execution of this Agreement and the closing of the transactions contemplated hereby, including, without limitation, the fees and expenses of agents, representatives, counsel and accountants employed by any such party, shall be borne solely and entirely by the party which has incurred same.

The parties have entered into this Agreement as evidenced below by the signature of their duly authorized representatives as of the date set forth on the first page hereof.

UNION ELECTRIC COMPANY
d/b/a AmerenUE

By: 

Name: William J. Carr

Title: Vice President

Attest:

By: 

Title: ASST. SECRETARY

OZARK BORDER ELECTRIC COOPERATIVE

By: Andy Clark

Name: ANDY CLARK

Title: PRESIDENT

Attest: Keith Minton

By: Keith Minton

Title: SECRETARY

Exhibit 1

**Metes and Bounds Description of the
Exclusive Service Territory of
Union Electric Company
and
Ozark Border Electric Cooperative**

Metes and Bounds Description
of the Exclusive Service Territory of
Union Electric Company In Iron and Madison Counties

Madison County

Beginning at the northwest corner of section nineteen, township thirty-four, range five, east; thence, east with the subdivisional lines to the northeast corner of section twenty-one, township thirty-four, range eight, east; thence, south with the subdivisional lines to the southeast corner of section thirty-three, township thirty-four, range eight, east; thence, in a direct line to the northeast corner of section twenty-two, township thirty-three, range eight, east; thence, south with the subdivisional lines to the southeast corner of section thirty-four, township thirty-one, range eight, east; thence, west with the township line to the range line dividing ranges four and five; thence, north along said range line to the place of beginning.

Iron County

Beginning at the northeast corner of section twenty-four, in township thirty-four, north, range four, east; thence, west to the northwest corner of section nineteen, township thirty-four, range four, east; thence, north to the northeast corner of section twenty-four, township thirty-five, range three, east; thence, west with the subdivisional lines to the northwest corner of section twenty-two, township thirty-five, range two, west; thence, south to the southwest corner of section thirty-four, township thirty-four, range two, west; thence, east to the southeast corner of section thirty-six, township thirty-four, range two, east; thence, south with the line dividing ranges two and three, east, to the southwest corner of section seven, township thirty-one, range three, east; thence, east to the southwest corner of section eight, same township and range; thence, south with the subdivisional lines to the southwest corner of section seventeen, township thirty, range three, east; thence, east to the southeast corner of section thirteen, township thirty, range four, east; thence, north with the line dividing ranges four and five, east, to the place of beginning.

**Metes and Bounds Description
of the Exclusive Service Territory of
Ozark Border Electric Cooperative**

SERVICE TERRITORIAL AGREEMENT
METES AND BOUNDS LEGAL DESCRIPTION
OZARK BORDER ELECTRIC COOPERATIVE
SERVICE TERRITORY

LAND LOCATED IN BOLLINGER, BUTLER, CARTER, DUNKLIN, NEW MADRID, REYNOLDS, RIPLEY, STODDARD, AND WAYNE COUNTIES OF THE STATE OF MISSOURI, THE PERIMETER OF WHICH IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SECTION 1, TOWNSHIP 29 NORTH, RANGE 2 WEST, REYNOLDS COUNTY, MISSOURI; THENCE EAST ALONG THE NORTH LINE OF SAID SECTION 1, TO THE NORTHEAST CORNER OF SAID SECTION 1, SAID POINT ALSO BEING THE NORTHWEST CORNER OF SECTION 6, TOWNSHIP 29 NORTH, RANGE 1 WEST, REYNOLDS COUNTY, MISSOURI, THENCE EAST ALONG THE NORTH LINE OF SECTIONS 6, 5, 4, 3, 2, AND 1, TOWNSHIP 29 NORTH, RANGE 1 WEST, REYNOLDS COUNTY, MISSOURI, TO THE NORTHEAST CORNER OF SAID SECTION 1, SAID POINT ALSO BEING THE NORTHWEST CORNER OF SECTION 6, TOWNSHIP 29 NORTH, RANGE 1 EAST, REYNOLDS COUNTY, MISSOURI; THENCE EAST ALONG THE NORTH LINE OF SECTIONS 6, 5, 4, 3, 2, AND 1, TOWNSHIP 29 NORTH, RANGE 1 EAST, REYNOLDS COUNTY, MISSOURI, TO THE NORTHEAST CORNER OF SAID SECTION 1, SAID POINT ALSO BEING THE NORTHWEST CORNER OF SECTION 6, TOWNSHIP 29 NORTH, RANGE 2 EAST, REYNOLDS COUNTY, MISSOURI; THENCE EAST ALONG THE NORTH LINE OF SECTIONS 6, 5, 4, 3, 2, AND 1, TOWNSHIP 29 NORTH, RANGE 2 EAST, REYNOLDS COUNTY, MISSOURI, TO THE NORTHEAST CORNER OF SAID SECTION 1, SAID POINT ALSO BEING THE NORTHWEST CORNER OF SECTION 6, TOWNSHIP 29

NORTH, RANGE 3 EAST, REYNOLDS COUNTY, MISSOURI; THENCE EAST ALONG THE NORTH LINE OF SECTIONS 6 AND 5, TOWNSHIP 29 NORTH, RANGE 3 EAST, REYNOLDS COUNTY, MISSOURI, TO A POINT OF INTERSECTION WITH THE REYNOLDS/WAYNE COUNTY LINE, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF SECTION 33, TOWNSHIP 30 NORTH, RANGE 3 EAST, WAYNE COUNTY, MISSOURI; THENCE NORTH ALONG THE WAYNE/REYNOLDS COUNTY LINE, A DISTANCE OF 3 MILES, MORE OR LESS, TO THE NORTHWEST CORNER OF SECTION 21, TOWNSHIP 30 NORTH, RANGE 3 EAST, WAYNE COUNTY, MISSOURI, SAID POINT ALSO BEING ON THE WAYNE/IRON COUNTY LINE; THENCE EAST ALONG SAID WAYNE/IRON COUNTY LINE, A DISTANCE OF 10 MILES, MORE OR LESS, TO THE SOUTHWEST CORNER OF SECTION 18, TOWNSHIP 30 NORTH, RANGE 5 EAST, WAYNE COUNTY, MISSOURI; THENCE NORTH CONTINUING ALONG SAID WAYNE/IRON COUNTY LINE, A DISTANCE OF 3 MILES, MORE OR LESS, TO THE NORTHWEST CORNER OF SECTION 6, TOWNSHIP 30 NORTH, RANGE 5 EAST, WAYNE COUNTY, MISSOURI, SAID POINT ALSO BEING ON THE WAYNE/MADISON COUNTY LINE; THENCE EAST ALONG SAID WAYNE/MADISON COUNTY LINE, A DISTANCE OF 18 MILES, MORE OR LESS, TO THE NORTHEAST CORNER OF SECTION 1, TOWNSHIP 30 NORTH, RANGE 7 EAST, WAYNE COUNTY, MISSOURI, SAID POINT ALSO BEING ON THE WAYNE/BOLLINGER COUNTY LINE; THENCE SOUTH ALONG SAID WAYNE/BOLLINGER COUNTY LINE, A DISTANCE OF 9 MILES, MORE OR LESS, TO THE SOUTHEAST CORNER OF SECTION 13, TOWNSHIP 29 NORTH, RANGE 7 EAST, WAYNE COUNTY, MISSOURI, SAID POINT ALSO BEING THE NORTHWEST CORNER OF SECTION 19, TOWNSHIP 29 NORTH, RANGE 8 EAST, BOLLINGER COUNTY, MISSOURI; THENCE LEAVING SAID WAYNE/BOLLINGER COUNTY LINE, EAST ALONG THE NORTH LINE OF SECTIONS 19, 20, 21, 22, 23, AND 24, TOWNSHIP 29 NORTH, RANGE 8 EAST, BOLLINGER COUNTY, MISSOURI, TO THE

NORTHEAST CORNER OF SAID SECTION 24, SAID POINT ALSO BEING THE NORTHWEST CORNER OF SECTION 19, TOWNSHIP 29 NORTH, RANGE 9 EAST, BOLLINGER COUNTY, MISSOURI; THENCE EAST ALONG THE NORTH LINE OF SECTIONS 19, 20, 21, 22, 23, AND 24, TOWNSHIP 29 NORTH, RANGE 9 EAST, BOLLINGER COUNTY, MISSOURI, TO THE NORTHEAST CORNER OF SAID SECTION 24, SAID POINT ALSO BEING THE NORTHWEST CORNER OF SECTION 19, TOWNSHIP 29 NORTH, RANGE 10 EAST, BOLLINGER COUNTY, MISSOURI; THENCE EAST ALONG THE NORTH LINE OF SECTIONS 19 AND 20, TOWNSHIP 29 NORTH, RANGE 10 EAST, BOLLINGER COUNTY, MISSOURI, TO THE NORTHEAST CORNER OF SAID SECTION 20; THENCE SOUTH ALONG THE EAST LINE OF SECTIONS 20, 29, AND 32, TOWNSHIP 29 NORTH, RANGE 10 EAST, BOLLINGER COUNTY, MISSOURI, TO THE SOUTHEAST CORNER OF SAID SECTION 32, SAID POINT ALSO BEING THE NORTHEAST CORNER OF SECTION 5, TOWNSHIP 28 NORTH, RANGE 10 EAST, BOLLINGER COUNTY, MISSOURI; THENCE SOUTH ALONG THE EAST LINE OF SECTIONS 5, 8, 17, 20, AND 29, TOWNSHIP 28 NORTH, RANGE 10 EAST, BOLLINGER COUNTY, MISSOURI, TO THE SOUTHEAST CORNER OF SAID SECTION 29, SAID POINT ALSO BEING THE NORTHEAST CORNER OF SECTION 32, TOWNSHIP 28 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI; THENCE SOUTH ALONG THE EAST LINE OF SAID SECTION 32, TO THE SOUTHEAST CORNER OF SAID SECTION 32, SAID POINT ALSO BEING THE NORTHEAST CORNER OF SECTION 4, TOWNSHIP 27 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI; THENCE SOUTH ALONG THE EAST LINE OF SECTIONS 4, 9, 16, 21, 28, AND 33, TOWNSHIP 27 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI, TO THE SOUTHEAST CORNER OF SAID SECTION 33, SAID POINT ALSO BEING THE NORTHEAST CORNER OF SECTION 4, TOWNSHIP 26 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI; THENCE SOUTH ALONG THE EAST LINE OF

SECTIONS 4, 9, 16, 21, AND 28, TOWNSHIP 26 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI, TO THE SOUTHEAST CORNER OF NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 28, SAID POINT ALSO BEING THE NORTHWEST CORNER OF THE SOUTH HALF OF THE SOUTH HALF OF SECTION 27, TOWNSHIP 26 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI; THENCE EAST ALONG THE NORTH LINE OF THE SOUTH HALF OF THE SOUTH HALF OF SECTIONS 27 AND 26, TOWNSHIP 26 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI, TO A POINT 500 FEET WEST OF THE CENTERLINE OF MISSOURI STATE HIGHWAY NO. 25; THENCE SOUTHWESTERLY PARALLEL WITH AND 500 FEET WEST OF THE CENTERLINE OF SAID MISSOURI STATE HIGHWAY NO. 25, A DISTANCE OF 0.8 MILE, MORE OR LESS, TO A POINT OF INTERSECTION WITH THE SOUTH LINE OF THE NORTH HALF OF SECTION 35, TOWNSHIP 26 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI; THENCE WEST ALONG THE SOUTH LINE OF THE NORTH HALF OF SAID SECTION 35, TO THE SOUTHWEST CORNER OF THE NORTH HALF OF SAID SECTION 35, SAID POINT ALSO BEING THE NORTHEAST CORNER OF THE NORTH HALF OF THE SOUTH HALF OF SECTION 34, TOWNSHIP 26 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI; THENCE SOUTH ALONG THE EAST LINE OF THE NORTH HALF OF THE SOUTH HALF OF SAID SECTION 34, TO THE SOUTHEAST CORNER OF NORTH HALF OF THE SOUTH HALF OF SAID SECTION 34; THENCE WEST ALONG THE SOUTH LINE OF THE NORTH HALF OF THE SOUTH HALF OF SAID SECTION 34, TO A POINT 3,300 FEET EAST OF THE WEST LINE OF SAID SECTION 34; THENCE SOUTH PARALLEL WITH AND 3,300 FEET EAST OF THE WEST LINE OF SAID SECTION 34, TO A POINT OF INTERSECTION WITH THE SOUTH LINE OF SAID SECTION 34, SAID POINT ALSO BEING ON THE NORTH LINE OF SECTION 3, TOWNSHIP 25 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI; THENCE SOUTH PARALLEL WITH AND 3,300

FEET EAST OF THE WEST LINE OF SAID SECTION 3, TO A POINT 400 FEET SOUTH OF THE NORTH LINE OF SAID SECTION 3; THENCE WEST PARALLEL WITH AND 400 FEET SOUTH OF THE NORTH LINE OF SECTIONS 3 AND 4, TOWNSHIP 25 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI, TO A POINT 2,600 FEET WEST OF THE EAST LINE OF SAID SECTION 4; THENCE SOUTH PARALLEL WITH AND 2,600 FEET WEST OF THE EAST LINE OF SAID SECTION 4, TO A POINT 2,700 FEET SOUTH OF THE NORTH LINE OF SAID SECTION 4; THENCE WEST PARALLEL WITH AND 2,700 FEET SOUTH OF THE NORTH LINE OF SECTIONS 4 AND 5, TOWNSHIP 25 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI, TO A POINT OF INTERSECTION WITH THE WEST LINE OF THE EAST HALF OF SAID SECTION 5; THENCE NORTH ALONG THE WEST LINE OF THE EAST HALF OF SAID SECTION 5, TO A POINT 400 FEET SOUTH OF THE NORTH LINE OF SAID SECTION 5; THENCE WEST PARALLEL WITH AND 400 FEET SOUTH OF THE NORTH LINE OF SAID SECTION 5, TO A POINT 300 FEET EAST OF THE WEST LINE OF SAID SECTION 5; THENCE SOUTH PARALLEL WITH AND 300 FEET EAST OF THE WEST LINE OF SECTIONS 5 AND 8, TOWNSHIP 25 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI, TO A POINT OF INTERSECTION WITH THE SOUTH LINE OF THE NORTH HALF OF THE SOUTH HALF OF SAID SECTION 8; THENCE WEST ALONG THE SOUTH LINE OF THE NORTH HALF OF THE SOUTH HALF OF SAID SECTION 8, TO THE SOUTHWEST CORNER OF THE NORTH HALF OF THE SOUTH HALF OF SAID SECTION 8, SAID POINT ALSO BEING ON THE EAST LINE OF SECTION 7, TOWNSHIP 25 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI; THENCE SOUTH ALONG THE EAST LINE OF SECTIONS 7 AND 18, TOWNSHIP 25 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI, TO A POINT OF INTERSECTION WITH THE CENTERLINE OF U.S. HIGHWAY NO. 60; THENCE WESTERLY ALONG THE CENTERLINE OF SAID U.S. HIGHWAY NO. 60, 1 MILE, MORE OR LESS, TO A POINT OF INTERSECTION WITH THE

EAST LINE OF SECTION 24, TOWNSHIP 25 NORTH, RANGE 9 EAST, STODDARD COUNTY, MISSOURI; THENCE LEAVING THE CENTERLINE OF SAID U.S. HIGHWAY NO. 60, SOUTH ALONG THE EAST LINE OF SAID SECTION 24, TO THE SOUTHEAST CORNER OF SAID SECTION 24; THENCE WEST ALONG THE SOUTH LINE OF SAID SECTION 24, TO A POINT 300 FEET WEST OF THE EAST LINE OF SAID SECTION 24, SAID POINT ALSO BEING ON THE NORTH LINE OF SECTION 25, TOWNSHIP 25 NORTH, RANGE 9 EAST, STODDARD COUNTY, MISSOURI; THENCE SOUTH PARALLEL WITH AND 300 FEET WEST OF THE EAST LINE OF SECTIONS 25 AND 36, TOWNSHIP 25 NORTH, RANGE 9 EAST, STODDARD COUNTY, MISSOURI, TO A POINT OF INTERSECTION WITH THE SOUTH LINE OF SAID SECTION 36, SAID POINT ALSO BEING ON THE NORTH LINE OF SECTION 1, TOWNSHIP 24 NORTH, RANGE 9 EAST, STODDARD COUNTY, MISSOURI; THENCE EAST ALONG THE NORTH LINE OF SAID SECTION 1, TO THE NORTHEAST CORNER OF SAID SECTION 1, SAID POINT ALSO BEING THE NORTHWEST CORNER OF SECTION 6, TOWNSHIP 24 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI; THENCE EAST ALONG THE NORTH LINE OF SECTIONS 6, 5, AND 4, TOWNSHIP 24 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI, TO THE NORTHEAST CORNER OF SAID SECTION 4; THENCE SOUTH ALONG THE EAST LINE OF SECTIONS 4 AND 9, TOWNSHIP 24 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI, TO THE SOUTHEAST CORNER OF SAID SECTION 9, SAID POINT ALSO BEING THE NORTHWEST CORNER OF SECTION 15, TOWNSHIP 24 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI; THENCE EAST ALONG THE NORTH LINE OF SAID SECTION 15, TO A POINT 300 FEET WEST OF THE CENTERLINE OF MISSOURI STATE HIGHWAY NO. 25; THENCE SOUTH PARALLEL WITH AND 300 FEET WEST OF THE CENTERLINE OF SAID MISSOURI STATE HIGHWAY NO. 25, A DISTANCE OF 3 MILES, MORE OR LESS, TO A POINT OF INTERSECTION WITH THE SOUTH LINE OF

SECTION 27, TOWNSHIP 24 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI; THENCE WEST ALONG THE SOUTH LINE OF SECTIONS 27 AND 28, TOWNSHIP 24 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI, TO THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 28, SAID POINT ALSO BEING THE NORTHEAST CORNER OF THE WEST HALF OF SECTION 33, TOWNSHIP 24 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI; THENCE SOUTH ALONG THE EAST LINE OF THE WEST HALF OF SAID SECTION 33, TO THE SOUTHEAST CORNER OF THE WEST HALF OF SAID SECTION 33, SAID POINT ALSO BEING ON THE SOUTH LINE OF SAID SECTION 33; THENCE WEST ALONG THE SOUTH LINE OF SAID SECTION 33, TO A POINT 300 FEET EAST OF THE WEST LINE OF SAID SECTION 33, SAID POINT ALSO BEING ON THE NORTH LINE OF SECTION 4, TOWNSHIP 23 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI; THENCE SOUTH PARALLEL WITH AND 300 FEET EAST OF THE WEST LINE OF SAID SECTION 4, TO A POINT OF INTERSECTION WITH THE SOUTH LINE OF SAID SECTION 4, SAID POINT ALSO BEING ON THE NORTH LINE OF SECTION 9, TOWNSHIP 23 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI; THENCE EAST ALONG THE NORTH LINE OF SECTIONS 9, 10, 11, AND 12, TOWNSHIP 23 NORTH, RANGE 10 EAST, STODDARD COUNTY, MISSOURI, TO THE NORTHEAST CORNER OF SAID SECTION 12; THENCE SOUTH ALONG THE EAST LINE OF SAID SECTION 12, TO THE SOUTHEAST CORNER OF SAID SECTION 12, SAID POINT ALSO BEING THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 23 NORTH, RANGE 11 EAST, STODDARD COUNTY, MISSOURI; THENCE EAST ALONG THE NORTH LINE OF SECTIONS 18, 17, 16, AND 15, TOWNSHIP 23 NORTH, RANGE 11 EAST, STODDARD COUNTY, MISSOURI, TO THE NORTHEAST CORNER OF THE WEST HALF OF THE WEST HALF OF SAID SECTION 15; THENCE SOUTH ALONG THE EAST LINE OF THE WEST HALF OF THE WEST HALF OF SAID SECTION 15, TO THE

SOUTHEAST CORNER OF THE WEST HALF OF THE WEST HALF OF SAID SECTION 15, SAID POINT ALSO BEING THE NORTHEAST CORNER OF THE WEST HALF OF THE WEST HALF OF SECTION 22, TOWNSHIP 23 NORTH, RANGE 11 EAST, NEW MADRID COUNTY, MISSOURI, THENCE SOUTH ALONG THE EAST LINE OF THE WEST HALF OF THE WEST HALF OF SECTIONS 22 AND 27, TOWNSHIP 23 NORTH, RANGE 11 EAST, NEW MADRID COUNTY, MISSOURI, TO A POINT OF INTERSECTION WITH THE CENTERLINE OF THE ST. LOUIS SOUTHWESTERN RAILWAY; THENCE EAST ALONG THE CENTERLINE OF SAID ST. LOUIS SOUTHWESTERN RAILWAY, A DISTANCE OF 0.75 MILE, MORE OR LESS, TO A POINT OF INTERSECTION WITH THE EAST LINE OF SAID SECTION 27; THENCE LEAVING THE CENTERLINE OF SAID ST. LOUIS SOUTHWESTERN RAILWAY, SOUTH ALONG THE EAST LINE OF SAID SECTION 27, TO THE SOUTHEAST CORNER OF SAID SECTION 27, SAID POINT ALSO BEING THE NORTHWEST CORNER OF SECTION 35, TOWNSHIP 23 NORTH, RANGE 11 EAST, NEW MADRID COUNTY, MISSOURI; THENCE EAST ALONG THE NORTH LINE OF SECTIONS 35 AND 36, TOWNSHIP 23 NORTH, RANGE 11 EAST, NEW MADRID COUNTY, MISSOURI, TO THE NORTHEAST CORNER OF THE WEST HALF OF THE EAST HALF OF SAID SECTION 36; THENCE SOUTH ALONG THE EAST LINE OF THE WEST HALF OF THE EAST HALF OF SAID SECTION 36, TO THE SOUTHEAST CORNER OF THE WEST HALF OF THE EAST HALF OF SAID SECTION 36, SAID POINT ALSO BEING THE NORTHEAST CORNER OF THE WEST HALF OF THE EAST HALF OF SECTION 1, TOWNSHIP 22 NORTH, RANGE 11 EAST, NEW MADRID COUNTY, MISSOURI; THENCE SOUTH ALONG THE EAST LINE OF THE WEST HALF OF THE EAST HALF OF SECTIONS 1 AND 12, TOWNSHIP 22 NORTH, RANGE 11 EAST, NEW MADRID COUNTY, MISSOURI, TO THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12, SAID POINT ALSO BEING ON THE SOUTH LINE OF THE NORTH HALF OF SAID SECTION

12; THENCE WEST ALONG THE SOUTH LINE OF THE NORTH HALF OF SAID SECTION 12, TO THE SOUTHWEST CORNER OF THE NORTH HALF OF SAID SECTION 12, SAID POINT ALSO BEING ON THE EAST LINE OF SECTION 11, TOWNSHIP 22 NORTH, RANGE 11 EAST, NEW MADRID COUNTY, MISSOURI; THENCE SOUTH ALONG THE EAST LINE OF SECTIONS 11 AND 14, TOWNSHIP 22 NORTH, RANGE 11 EAST, NEW MADRID COUNTY, MISSOURI, TO THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 14, SAID POINT ALSO BEING THE NORTHWEST CORNER OF THE SOUTH HALF OF SECTION 13, TOWNSHIP 22 NORTH, RANGE 11 EAST, NEW MADRID COUNTY, MISSOURI; THENCE EAST ALONG THE NORTH LINE OF THE SOUTH HALF OF SAID SECTION 13, TO THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 13, SAID POINT ALSO BEING ON THE EAST LINE OF THE WEST HALF OF THE EAST HALF OF SAID SECTION 13; THENCE SOUTH ALONG THE EAST LINE OF THE WEST HALF OF THE EAST HALF OF SECTIONS 13 AND 24, TOWNSHIP 22 NORTH, RANGE 11 EAST, NEW MADRID COUNTY, MISSOURI, TO THE SOUTHEAST CORNER OF THE WEST HALF OF THE EAST HALF OF SAID SECTION 24, SAID POINT ALSO BEING ON THE SOUTH LINE OF SAID SECTION 24; THENCE WEST ALONG THE SOUTH LINE OF SAID SECTION 24, TO THE SOUTHWEST CORNER OF SAID SECTION 24, SAID POINT ALSO BEING THE NORTHEAST CORNER OF SECTION 26, TOWNSHIP 22 NORTH, RANGE 11 EAST, NEW MADRID COUNTY, MISSOURI; THENCE SOUTH ALONG THE EAST LINE OF SECTIONS 26 AND 35, TOWNSHIP 22 NORTH, RANGE 11 EAST, NEW MADRID COUNTY, MISSOURI, TO THE SOUTHEAST CORNER OF SAID SECTION 35; THENCE WEST ALONG THE SOUTH LINE OF SECTIONS 35, 34, 33, 32, AND 31, TOWNSHIP 22 NORTH, RANGE 11 EAST, NEW MADRID COUNTY, MISSOURI, TO THE SOUTHWEST CORNER OF SAID SECTION 31, SAID POINT ALSO BEING THE NORTHEAST CORNER OF SECTION 1, TOWNSHIP 21

NORTH, RANGE 10 EAST, NEW MADRID COUNTY, MISSOURI; THENCE SOUTH ALONG THE EAST LINE OF SECTIONS 1 AND 12, TOWNSHIP 21 NORTH, RANGE 10 EAST, NEW MADRID COUNTY, MISSOURI, TO THE SOUTHEAST CORNER OF SAID SECTION 12; THENCE WEST ALONG THE SOUTH LINE OF SECTIONS 12 AND 11, TOWNSHIP 21 NORTH, RANGE 10 EAST, NEW MADRID COUNTY, MISSOURI, TO A POINT OF INTERSECTION WITH THE NEW MADRID/DUNKLIN COUNTY LINE, SAID POINT ALSO BEING ON THE SOUTH LINE OF SECTION 10, TOWNSHIP 21 NORTH, RANGE 10 EAST, DUNKLIN COUNTY, MISSOURI; THENCE WEST ALONG THE SOUTH LINE OF SAID SECTION 10, TO A POINT OF INTERSECTION WITH THE CENTERLINE OF MISSOURI STATE HIGHWAY NO. 25; THENCE SOUTH ALONG THE CENTERLINE OF SAID MISSOURI STATE HIGHWAY NO. 25, A DISTANCE OF 0.5 MILE, MORE OR LESS, TO A POINT OF INTERSECTION WITH THE SOUTH LINE OF THE NORTH HALF OF SECTION 15, TOWNSHIP 21 NORTH, RANGE 10 EAST, DUNKLIN COUNTY, MISSOURI; THENCE LEAVING THE CENTERLINE OF SAID MISSOURI STATE HIGHWAY NO. 25, WEST ALONG THE SOUTH LINE OF THE NORTH HALF OF SAID SECTION 15, TO THE SOUTHWEST CORNER OF THE NORTH HALF OF SAID SECTION 15, SAID POINT ALSO BEING ON THE EAST LINE OF SECTION 16, TOWNSHIP 21 NORTH, RANGE 10 EAST, DUNKLIN COUNTY, MISSOURI; THENCE SOUTH ALONG THE EAST LINE OF SECTIONS 16 AND 21, TOWNSHIP 21 NORTH, RANGE 10 EAST, DUNKLIN COUNTY, MISSOURI, TO THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 21, SAID POINT ALSO BEING THE NORTHWEST CORNER OF THE SOUTH HALF OF THE SOUTH HALF OF SECTION 22, TOWNSHIP 21 NORTH, RANGE 10 EAST, DUNKLIN COUNTY, MISSOURI; THENCE EAST ALONG THE NORTH LINE OF THE SOUTH HALF OF THE SOUTH HALF OF SAID SECTION 22, TO A POINT OF INTERSECTION WITH THE DUNKLIN/NEW MADRID COUNTY LINE; THENCE SOUTH

ALONG THE DUNKLIN/NEW MADRID COUNTY LINE, A DISTANCE OF 2.25 MILES, MORE OR LESS, TO A POINT OF INTERSECTION WITH THE SOUTH LINE OF SECTION 34, TOWNSHIP 21 NORTH, RANGE 10 EAST, DUNKLIN COUNTY, MISSOURI; THENCE LEAVING SAID DUNKLIN/NEW MADRID COUNTY LINE, WEST ALONG THE SOUTH LINE OF SAID SECTION 34, TO A POINT OF INTERSECTION WITH THE CENTERLINE OF MISSOURI STATE HIGHWAY NO. 25; THENCE SOUTH AND WEST ALONG THE CENTERLINE OF SAID MISSOURI STATE HIGHWAY NO. 25, A DISTANCE OF 2.5 MILES, MORE OR LESS, TO A POINT OF INTERSECTION WITH THE WEST LINE OF SECTION 5, TOWNSHIP 20 NORTH, RANGE 10 EAST, DUNKLIN COUNTY, MISSOURI; THENCE LEAVING THE CENTERLINE OF SAID MISSOURI STATE HIGHWAY NO. 25, NORTH ALONG THE WEST LINE OF SAID SECTION 5, TO THE NORTHWEST CORNER OF SAID SECTION 5, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF SECTION 32, TOWNSHIP 21 NORTH, RANGE 10 EAST, DUNKLIN COUNTY, MISSOURI; THENCE NORTH ALONG THE WEST LINE OF SECTIONS 32, 29, AND 20, TOWNSHIP 21 NORTH, RANGE 10 EAST, DUNKLIN COUNTY, MISSOURI, TO THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 20, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF THE NORTH HALF OF THE SOUTH HALF OF SECTION 19, TOWNSHIP 21 NORTH, RANGE 10 EAST, DUNKLIN COUNTY, MISSOURI; THENCE WEST ALONG THE SOUTH LINE OF THE NORTH HALF OF THE SOUTH HALF OF SAID SECTION 19, TO A POINT OF INTERSECTION WITH THE CENTERLINE OF MISSOURI STATE HIGHWAY NO. 53; THENCE NORTHWESTERLY ALONG THE CENTERLINE OF SAID MISSOURI STATE HIGHWAY NO. 53, A DISTANCE OF 2.25 MILES, MORE OR LESS, TO A POINT OF INTERSECTION WITH THE SOUTH LINE OF SECTION 11, TOWNSHIP 21 NORTH, RANGE 9 EAST, DUNKLIN COUNTY, MISSOURI; THENCE LEAVING THE CENTERLINE OF SAID MISSOURI STATE HIGHWAY NO. 53,

WEST ALONG THE SOUTH LINE OF SECTIONS 11, 10, AND 9, TOWNSHIP 21 NORTH, RANGE 9 EAST, DUNKLIN COUNTY, MISSOURI, TO THE SOUTHWEST CORNER OF SAID SECTION 9, SAID POINT ALSO BEING THE NORTHEAST CORNER OF SECTION 17, TOWNSHIP 21 NORTH, RANGE 9 EAST, DUNKLIN COUNTY, MISSOURI; THENCE SOUTH ALONG THE EAST LINE OF SECTIONS 17, 20, 29, AND 32, TOWNSHIP 21 NORTH, RANGE 9 EAST, DUNKLIN COUNTY, MISSOURI, TO THE SOUTHEAST CORNER OF SAID SECTION 32; THENCE WEST ALONG THE SOUTH LINE OF SECTIONS 32 AND 31, TOWNSHIP 21 NORTH, RANGE 9 EAST, DUNKLIN COUNTY, MISSOURI, TO A POINT OF INTERSECTION WITH THE CENTER OF THE ST. FRANCOIS RIVER AND THE MISSOURI/ARKANSAS STATE LINE; THENCE NORTHWESTERLY ALONG AND WITH THE MEANDERINGS OF THE ST. FRANCOIS RIVER AND THE MISSOURI/ARKANSAS STATE LINE, A DISTANCE OF 7 MILES, MORE OR LESS, TO A POINT OF INTERSECTION WITH THE SOUTH LINE OF SECTION 36, TOWNSHIP 22 NORTH, RANGE 8 EAST, DUNKLIN COUNTY, MISSOURI; THENCE LEAVING THE CENTER OF THE ST. FRANCOIS RIVER, WEST CONTINUING ALONG SAID MISSOURI/ARKANSAS STATE LINE, A DISTANCE OF 3.5 MILES, MORE OR LESS, TO A POINT OF INTERSECTION WITH THE DUNKLIN/BUTLER COUNTY LINE; THENCE CONTINUING WEST ALONG THE MISSOURI/ARKANSAS STATE LINE, A DISTANCE OF 19.5 MILES, MORE OR LESS, TO A POINT OF INTERSECTION WITH THE BUTLER/RIPLEY COUNTY LINE; THENCE CONTINUING WEST ALONG SAID MISSOURI/ARKANSAS STATE LINE, A DISTANCE OF 30 MILES, MORE OR LESS, TO A POINT OF INTERSECTION WITH THE WEST LINE OF SECTION 6, TOWNSHIP 21 NORTH, RANGE 1 WEST, RIPLEY COUNTY, MISSOURI, SAID POINT ALSO BEING ON THE RIPLEY/OREGON COUNTY LINE; THENCE LEAVING SAID MISSOURI/ARKANSAS STATE LINE, NORTH ALONG SAID RIPLEY/OREGON COUNTY LINE, A DISTANCE OF 22.75 MILES, MORE OR LESS, TO THE NORTHWEST CORNER OF

SECTION 19, TOWNSHIP 25 NORTH, RANGE 1 WEST, RIPLEY COUNTY, MISSOURI, SAID POINT ALSO BEING ON THE CARTER/OREGON COUNTY LINE; THENCE WEST ALONG SAID CARTER/OREGON COUNTY LINE, A DISTANCE OF 6 MILES, MORE OR LESS, TO THE SOUTHWEST CORNER OF SECTION 18, TOWNSHIP 25 NORTH, RANGE 2 WEST, CARTER COUNTY, MISSOURI, THENCE NORTH CONTINUING ALONG SAID CARTER/OREGON COUNTY LINE, A DISTANCE OF 4 MILES, MORE OR LESS, TO A POINT OF INTERSECTION WITH THE CARTER/SHANNON COUNTY LINE; THENCE LEAVING THE CARTER/OREGON COUNTY LINE, NORTH ALONG SAID CARTER/SHANNON COUNTY LINE, A DISTANCE OF 14 MILES, MORE OR LESS, TO THE NORTHWEST CORNER OF SECTION 19, TOWNSHIP 28 NORTH, RANGE 2 WEST, CARTER COUNTY, MISSOURI, THENCE EAST CONTINUING ALONG SAID CARTER/SHANNON COUNTY LINE, A DISTANCE OF 11.5 MILES, MORE OR LESS, TO A POINT OF INTERSECTION WITH THE REYNOLDS/SHANNON COUNTY LINE; THENCE LEAVING THE CARTER/SHANNON COUNTY LINE, NORTHERLY AND WESTERLY ALONG SAID REYNOLDS/SHANNON COUNTY LINE, A DISTANCE OF 17.3 MILES, MORE OR LESS, TO THE NORTHWEST CORNER OF SECTION 1, TOWNSHIP 29 NORTH, RANGE 2 WEST, REYNOLDS COUNTY, MISSOURI, AND THE POINT OF BEGINNING.

NOTE:

Wherever in the foregoing description a corner is stated to be the same as and/or to coincide with another corner, and when in fact, such corners are not the same and/or do not coincide with one another, they shall be treated as if they are the same and do coincide.

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Exhibit 2
Maps Depicting the Exclusive Service Territories of
Union Electric Company
and
Ozark Border Electric Cooperative

Figures

An Overview of Ozark Border's Exclusive Service Territory	Figure 1
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County

Bollinger County	Figure 2
Butler County	Figure 3
Carter County	Figure 4
Dunklin County	Figure 5
New Madrid County	Figure 6
Iron County	Figure 7
Reynolds County	Figure 8
Ripley County	Figure 9
Madison County	Figure 10
Stoddard County	Figure 11
Wayne County	Figure 12