

## **Procedure to Replace Lost Share Certificates**

1. Section 2.3 (b) of the Bank's Bylaws provides, in part:

All certificates surrendered to the Bank for transfer or conversion shall be canceled, and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and canceled, except that in the case of a lost, destroyed or mutilated certificate, a new one may be issued therefor upon such terms and indemnity to the Bank as the Board may prescribe.

2. Upon receipt of notice of lost share, the Bank will supply the stockholder with the attached form of Affidavit of Lost Shares.
3. This form is to be retyped on the stockholder's letterhead paper, with all blanks filled in and an acknowledgment meeting the requirements of the state of execution attached at the end. The Affidavit is to be executed by the President of the stockholder, acknowledged, and returned to the Assistant Secretary, Rural Telephone Bank, U.S. Department of Agriculture, Mail Stop 1590, 1400 Independence Avenue, SW, Washington, DC 20250-1590.

The Bank will accept a form executed by an official of the stockholder other than the President only if the form is accompanied by evidence satisfactory to the Bank of that official's authority to sign on the stockholder's behalf, including specific authority to commit the stockholder to the indemnification requirement.

4. The Bank may request additional information concerning the lost certificate and the circumstances of its disappearance.
5. The Governor will consider the stockholder's request upon receiving a satisfactory Affidavit of Lost Shares.
6. The Bank may require such additional security as the Governor deems appropriate.
7. This procedure may be used for lost certificates of Class B or Class C shares.

**AFFIDAVIT OF LOST SHARES**

STATE OF \_\_\_\_\_

DATE \_\_\_\_\_

COUNTY OF \_\_\_\_\_

\_\_\_\_\_, President of \_\_\_\_\_  
(hereinafter called the "Stockholder") of the City of \_\_\_\_\_, State of \_\_\_\_\_, being duly sworn, deposes and says that:

The Stockholder is the legal and beneficial owner of \_\_\_\_\_ (number) shares of Class \_\_\_\_\_ stock of the Rural Telephone Bank (hereinafter called the "Bank"), represented by the certificates (hereinafter collectively called the "Lost Certificates") described as follows:

Number	Date	Amount
_____	_____	_____
_____	_____	_____

The Lost Certificates have been (lost, destroyed, mutilated or stolen as the case may be);

This Affidavit is made for the purpose of inducing the Bank to undertake actions reflecting the Stockholder's ownership of the Lost Certificates;

The Lost Certificates \_\_\_\_\_ (were or were not) endorsed;

Neither the Lost Certificates nor the rights of the Stockholder therein have in whole or in part, been assigned, transferred, hypothecated, pledged, or otherwise disposed of;

The Stockholder, its successors and assigns, shall at all times indemnify and save harmless the Bank against all loss or damage to it arising by reason of the replacement of the Lost Certificates and all costs, charges, damages, and expenses and all claims and demands of any and every kind and nature, actions, causes of action, suits, and controversies whether groundless or otherwise.

The Stockholder, its successors and assigns, shall deliver up the Lost Certificate or cause the same to be delivered up, when and so soon as it shall be found, in order that it may be canceled.

In witness hereof, the Stockholder has caused this Affidavit to be signed in its name and its corporate seal to be hereunto affixed and attested by its officers thereunto duly authorized, all as of the day and year first above written.

\_\_\_\_\_  
Name of Stockholder

By \_\_\_\_\_  
President

Attest:

Secretary