

Section 6. The Corporation covenants that it will at all times maintain, preserve and keep the mortgaged premises, and every part thereof, with the appurtenances and every part and parcel thereof, in thorough repair and condition; and from time to time make all needful and proper repairs, so that at all times the value of the security for the bonds issued hereunder and of the property hereby mortgaged shall be fully preserved and maintained.

Section 7. The Corporation covenants that until all the bonds hereby secured, together with the interest thereon, shall be fully paid and satisfied, the Corporation will make all reports and will comply with all laws, acts, rules, regulations and orders of any national, State, legislative, executive, administrative or judicial body, or officer, exercising any power of regulation or supervision over it, or any part of the trust estate; provided, however, that the Corporation may in good faith contest any such law, act, rule, regulation or order in any lawful and reasonable manner which will not endanger or subject to prior lien or to forfeiture, the title of the Trustee to any part of the trust estate.

Section 8. So long as any of the Second Mortgage Bonds Class B, issued hereunder are outstanding, the Corporation will, at its own cost and expense, insure and keep insured against loss or damage by fire and under the usual standard form of policies in reliable insurance companies authorized to do business in the State of South Carolina, satisfactory to the Trustee, the buildings and improvements situated on the mortgaged premises, in an amount of at least Seven Hundred Fifty Thousand (\$750,000.00) Dollars, being the total amount of the First and Second Mortgage bonds. The said policies shall be made payable to the Trustee under the New York Standard Mortgage Clause, first; for the equal and proportionate benefit of the holders of all the First Mortgage bonds then outstanding, and second: for the equal and proportionate benefit of the Second Mortgage Bonds then outstanding; and said policies shall be delivered to the Trustee. The Corporation will deliver all renewal policies to the Trustee with premiums paid, at least three (3) days before the expiration of maturing policies under and subject to the foregoing conditions. The Corporation shall, if so requested by the Trustee, insure against tornado and such tornado policies shall be made payable to and delivered to the Trustee.

Section 9. In case of loss, the Trustee shall allow the insurance money received by it on any policy of insurance on the property above required to be insured, procured by said Corporation, to be applied by said Corporation towards the replacement of or additions to the property destroyed or injured, if the Corporation shall in writing signed by its President, or Vice-President, so request. And thereafter, from time to time, the Trustee shall pay over to the Corporation for that purpose any or all such insurance received on policies procured by the Corporation; but no such insurance money shall be paid over until the Corporation shall present to the Trustee a statement verified by the affidavit of its President or Vice-President, and an engineer or architect satisfactory to the Trustee showing that the Corporation has theretofore made actual expenditures to an amount not less than the amount of the insurance money sought to be obtained from the Trustee in or about the replacement of the property destroyed or damaged. But if the Corporation shall not, within ninety (90) days from the time of the payment of any insurance money to the Trustee, in writing, request the Trustee to hold such money for the purpose of enabling the Corporation to pay the cost of replacements, as aforesaid, then such insurance money shall, by the Trustee, be paid over to and become a part of the Sinking Fund hereinbefore provided for. If, at any time, there shall remain in the hands of the Trustee any insurance money held upon the request of the Corporation as hereinabove provided for the use of the Corporation in making replacements, the Trustee shall pay said money into the Sinking Fund in the same manner and with like effect as if the Corporation within ninety days from the payment of any loss had failed to notify the Trustee that it desired to make use of such money.

Section 10. In case of any loss covered by any policy of insurance, any appraisal or adjustment of such loss and settlement, and payment of indemnity therefor, which may be agreed upon between the Corporation and any insurance Company may be consented to and accepted by the Trustee, and the said Trustee shall in no way be liable or responsible for the collection or adjustment of any insurance in case of any loss.

Section 11. The Trustee shall not be under duty to insure any of the mortgaged premises or property, but may, in its discretion, and, if furnished with funds or indemnified to its satisfaction by any of the bondholders, shall, insure any of said mortgaged property or premises against fire to the extent hereinbefore provided, in case the Corporation shall fail to so insure the same. Any premiums so paid for such insurance shall be a first lien on the property and premises mortgaged hereunder and shall be secured hereby, and shall take precedence of any amounts due on the bonds and coupons secured hereby, and shall be immediately repayable by the Corporation to the Trustee upon demand therefor, with interest at Seven (7%) per cent. from the date such payment may have been made by the Trustee. In case of the failure of the Corporation to repay same to the Trustee within sixty days after written demand therefor mailed to or served upon the Corporation, such failure to repay shall constitute a default hereunder, entitling the Trustee to enter and take possession, to sell and to bring proceedings to foreclose, and to exercise all the other rights given hereunder in case of default on the part of the Corporation.