

ing and distribution of water in and adjacent to the City of Anderson, Anderson County, S. C., and the Towns of Spindale and Rutherfordton, Rutherford County, N. C., and all additions and extensions hereafter made to each of said systems, together with the pipes, mains, appliances, apparatus, appurtenances, facilities and other property and equipment used or provided for use in connection with the construction, maintenance and operation of each of said systems, together with all rights of way, franchises, licenses, permits and easements of the Company in respect of the construction, maintenance and operation of said systems.

The following property is expressly excepted from the operation of this instrument, to-wit:

All cash, accounts receivable and other choses in action, inventories of materials and supplies on hand for use in the operation of the plants and systems of the Company, all appliances and merchandise held for sale, and all bonds, notes and other evidences of indebtedness and shares of stock and other certificates of interest now owned or hereafter acquired by the Company, that are or may be included within the description of the rights and properties set out in Parcels Nos. 1 to 6, inclusive.

TO HAVE AND TO HOLD, all and singular, the above described properties, with all the rights, privileges and appurtenances thereto belonging to the said party of the second part as Trustee, its successors and assigns, upon the trusts and for the uses and purposes as set out in the above mentioned First and Refunding Mortgage dated December 1, 1927, and none other.

AND the party of the first part, for itself, its successors and assigns, covenants with the party of the second part, its successors and assigns, that it, the said party of the first part, is seized of said property and premises in fee, and has right to convey the same in fee simple; that the same are free and clear of all encumbrances, except as to the lien of the said First and Refunding Mortgage, dated December 1,