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TERMS AND CONDITIONS

The undersigned further agrees from time to time to pledge and deliver to the holder hereof additional collateral should the aggregate market value of any collateral pledged hereunder at any time decline or should any such collateral fail to conform to legal requirements, or should the holder in good faith deem itself insecure. The undersigned also hereby agrees that all property of the undersigned at any time coming into the possession of the bank and also any balance of any deposit account of the undersigned with the bank shall constitute additional collateral for this or any other liability or liabilities of the undersigned to the bank and that payment and discharge of this note does not discharge any collateral held hereunder so long as there exists other liabilities direct or indirect of the undersigned to the bank. At the option of the holder hereof, all amounts evidenced by this note, whether due or to become due, and all other debts and obligations, whether direct or contingent, of the parties to this note and owing to the holder of this note, shall immediately become due and payable without demand of notice upon the occurrence of any of the following events:

The failure to make any payment or to perform any other duty called for herein or by any other obligations secured hereby; the death, dissolution, termination of existence, insolvency, business failure or assignment for benefit of creditors of or by any debtor, endorser or surety; the filing of a petition under any provision of the Bankruptcy Act or other insolvency laws by or against any debtor, endorser or surety; the filing of a petition for the appointment of a receiver for any part of the property of any debtor, endorser or surety; or if the holder in good faith believes its security is impaired. Upon the occurrence of any such event, any holder hereof shall have all of the rights and remedies of a secured party under the Uniform Commercial Code as passed and amended in South Carolina and under all other applicable law. Any notice of sale, lease, or other intended disposition of the collateral mailed, postage prepaid, to the debtor at the address specified herein or at such other address furnished to the holder by the debtor at least five (5) days prior to such actions, shall constitute reasonable notice to the debtor.

The holder may at its option, with or without notice, before or after maturity, sue for, collect, or make any compromise or settlement it deems desirable with reference to the collateral held hereunder; notify the obligors on any such collateral to make payment directly to the holder; transfer this note and the collateral, and any transferee shall have all the rights of the holder hereunder and the holder shall be thereafter relieved from any liability with respect to any collateral so transferred, and for sole any investment securities forming a part of the collateral. The holder shall not be responsible for the validity or enforceability of the collateral and the undersigned will take any and all steps necessary to preserve any rights in the property against prior parties and the holder shall not be bound to do so. No delay or omission on the part of the holder in exercising any right hereunder shall operate as a waiver of such right or of any other right under this note.



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