

MORTGAGE OF REAL ESTATE

PROVIDED, HOWEVER, and these presents are upon the express condition that, if the Mortgagor shall well and truly pay or cause to be paid the principal of the Bond and all interest due or to become due thereon, at the times and in the manner mentioned in such Bond, according to the true intent and meaning thereof, and shall pay all sums which become due pursuant to the terms of this Mortgage, then this Mortgage and the rights hereby granted shall cease, determine and be void; otherwise this Mortgage shall be and remain in full force and effect.

The Mortgagor covenants with the Mortgagee and its assigns as follows:

ARTICLE 1Particular Covenants of the Mortgagor

Section 1. The Mortgagor covenants and warrants that it is lawfully seized and possessed of all of the property described in the granting clause of this Mortgage and has good right and lawful authority to mortgage the same for the purpose herein expressed, and this Mortgage creates a valid ^{first} lien upon all of the aforesaid property and that said property is free and clear of any deed of trust, mortgage, lien, charge, or encumbrance thereon or affecting the title thereto. The Mortgagor will maintain and preserve the lien of this Mortgage so long as the Bond is outstanding and will forever warrant and defend the title to the property described as being mortgaged hereby to the Mortgagee and its assigns against any and all claims and demands whatsoever.

Section 2. The Mortgagor shall duly and punctually pay the principal of, and the interest on, the Bond at the dates and places and in the manner provided therein, according to the true intent and meaning thereof, and all other sums becoming due hereunder; and, unless otherwise provided, the Mortgagor shall not be obligated hereunder to pay any sums whatever except from the revenues of the Mortgagor derived from or through the use of the Mortgaged property, and from the proceeds of any sale of said property.

Section 3. The Mortgagor shall duly and punctually perform all its covenants and obligations under said Authority Act and said Resolution in the manner and with the effect provided therein.

Section 4. The Mortgagor covenants that it is duly authorized under the laws of the State of South Carolina and all other applicable provisions of law to adopt said Resolutions, to create and issue said Bond and to execute this Mortgage; and that all corporate action on its part for adoption of said Resolutions; the execution and issuance of the Bond, and the execution of this Mortgage has been duly ^{and} effectively taken.

Section 5. The Mortgagor shall diligently preserve all charters, franchises, rights of way, easements, permits and licenses now or hereafter granted or conferred and shall at all times maintain and preserve the Mortgaged Property and every part and parcel thereof in good repair, working order and condition and shall from time to time make all needful and proper repairs, renewals and replacements and useful and proper alterations, additions, betterments and improvements.

Section 6. The Mortgagor shall comply with all valid laws, ordinances, regulations and requirements applicable to it or its property, and use all reasonable diligence to furnish the consumers served by it with an adequate supply of electric energy, and it shall (subject to contingencies beyond its reasonable control) at all times keep its plants and properties in continuous operation.

Section 7. The Mortgagor shall not create or suffer to be created any lien or charge upon the Mortgage Property or any part thereof or upon the income therefrom and the Mortgagor shall promptly pay or discharge any and all obligations for or on account of which any such lien or charge might exist or could be created and any and all lawful taxes, rates, levies, assessments, liens, claims or other charges imposed upon or accruing upon the Mortgaged Property or any part thereof whether taxed to the Mortgagor ~~Property~~ or to the owner or holder of the Bond and this Mortgage, or the franchises, earnings or business thereof as and when the same shall become due and payable; and whenever called upon so to do the Mortgagor shall furnish to the Mortgagee adequate proof of such payments or discharge.

Section 8. The Mortgagor shall purchase all materials, equipment and replacements to be incorporated in or used in connection with the Mortgaged Property outright, and not subject to any conditional sales agreement, bailment lease or other agreement reserving to the seller any right, title or lien.

Section 9. The Mortgagor shall take out and maintain adequate workmen's compensation insurance for all employees at any time working for it, and public liability insurance in an amount not less than Twenty-five Thousand Dollars (\$25,000) to cover injuries to persons, but not in excess of Four Thousand Dollars (\$4,000) per person; and for injury causing death to a single person not less than Twenty-five Thousand Dollars (\$25,000), limiting the payment to the amount of recovery if less than said sum, and subject to the same limitation for each person, and amount not less than Fifty Thousand Dollars (\$50,000) for injuries causing death to more than one person in one accident, and property damages insurance in an amount not less than Ten Thousand Dollars (\$10,000).

Section 10. In the event of the failure of the Mortgagor in any respect to comply with the covenants and conditions herein contained with respect to the procuring of insurance, the payment of taxes, assessments and other charges, the keeping of the Mortgaged Property, in