

interest at the rate of Seven per cent, (7%) per annum on the overdue installments of interest, and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon said bonds, then to the payment of such principal and interest, without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and accrued and unpaid interest, subject, however, to the provisions of Section 5, of Article IV, of this Mortgage Deed of Trust or Second Mortgage.

Third: To the payment of the surplus, if any, to the Corporation, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same, or as a Court of competent jurisdiction may direct.

Section 11. In case of any sale, as aforesaid, of any of the mortgaged premises or trust property, any purchaser, for the purpose of making settlement or payment of any property purchased, shall be entitled to turn in any bonds and any unmatured and unpaid coupons in order that there may be credited, as paid thereon, the sums payable out of the net proceeds of such sale to the holder of such bonds and coupons as his ratable share of such net proceeds, after allowing for the portion of the total purchase price required to pay the costs and expenses of the sale, or otherwise, and such purchaser shall be credited on account of the purchase price of the property with the sums payable out of such net proceeds on the bonds and coupons so turned in; and, at any such sale, the Trustee, or any bondholders may bid for and purchase such property, and may make payment on account thereof, as aforesaid, and upon compliance with the terms of the sale may hold, retain and dispose of such property, without further accountability therefor.

Section 12. The Corporation will not at any time insist upon or plead, or in any manner whatsoever claim, or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force, nor will it claim, take or insist upon any benefit or advantage of law now or hereafter in force, providing for the valuation or appraisal of the trust property, or any part thereof, prior to any sale or sales thereof, to be made pertaining to any provisions herein contained or to the decree of any court of competent jurisdiction; nor after any such sale or sales will it claim or exercise any right under any statute, enacted by the United States of America, or the State of South Carolina, to redeem the property so sold, or any part thereof; and the Corporation hereby expressly waives all benefit and advantages of any such law or laws; and it covenants that it will not hinder, delay or impede the execution of any power herein granted or delegated to the Trustee, but it will suffer and permit the execution of every such power as though no such law or laws had been made or enacted.

Section 13. Whenever any judicial proceedings shall be commenced to enforce any right of the Trustee or of the bondholders under this Mortgage Deed of Trust or Second Mortgage, then the Trustee shall be entitled to exercise the right of entry herein conferred and also any and all other rights and powers herein conferred and provided to be exercised by the Trustee upon the happening of any event of default; and, as a matter of right, the Trustee shall be entitled to the appointment of a receiver or receivers of the trust property and of the earnings, incomes, rents, revenues, issues and profits thereof, with such powers as the Court or courts making such appointment, shall confer, but, notwithstanding any such appointment, the Trustee shall be entitled to retain possession of all moneys or other property deposited or to be deposited with it hereunder.

Section 14. No holder of any bond or coupon shall have any right to institute any suit, action or proceeding in equity or at law for the foreclosure of this Mortgage Deed of Trust or Second Mortgage, or for the execution of any trust hereof, or for the appointment of a receiver, or for any other remedy hereunder, or for the enforcement of any guaranty given the Trustee for the benefit of the holders of said bonds, unless such holder shall have previously given to the Trustee written notice of default and of the continuance thereof, as hereinbefore provided; nor unless, also, the holders of the majority in amount of bonds then outstanding hereby secured shall have made written request upon the Trustee and shall have afforded to it reasonable opportunity, not less than sixty (60) days, either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; nor unless, also, they shall have offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby and the Trustee shall have neglected to comply with such request. Such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Mortgage Deed of Trust or Second Mortgage and to any action or cause of action for foreclosure or for the appointment of a receiver, or for any other remedy hereunder; it being understood and intended that no one or more of the holders of the bonds shall have any right in any manner whatever to affect, disturb or prejudice the lien of this Mortgage Deed of Trust or Second Mortgage by his or their action, or to enforce any right hereunder, except in the manner herein provided; and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided, and for the equal benefit of all holders of outstanding bonds and coupons.

Section 15. Except as herein expressly provided to the contrary, no remedy herein conferred upon or reserved to the Trustee, or to the holders of the bonds, is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.