

MORTGAGE OF REAL ESTATE

37276 PROVENCE-JARRARD CO.-GREENVILLE

of the additional Bonds applied for, it shall specify any official certificates or other documents by which such consent is evidenced, and the same shall accompany such opinion; and

(3) The Company is duly authorized and entitled to the authentication and delivery of the additional Bonds applied for in accordance with the provisions of this Indenture and to issue such additional Bonds under the laws of the State of South Carolina and the applicable laws of any other jurisdiction; that upon the issue of such Bonds, such Bonds will be the valid and binding obligations of the Company and entitled to the benefits and security of this Indenture; and that the amount of Bonds then outstanding under this Indenture will not exceed the amount at the time permitted by law.

(d) An amount of cash equal to the aggregate amount of all judgment liens specified in the opinion of counsel provided for in Subdivision (c) of this Section, less the amount of all cash then held by the Trustee on account of such judgment liens, which shall be held and applied by the Trustee as a part of the trust estate.

SECTION 4. Subject to the provisions of Section 1 of this Article, from time to time hereafter the Company, in addition to the Bonds authorized to be executed, authenticated and delivered pursuant to the other provisions of this Article, may execute and deliver to the Trustee, and the Trustee shall thereupon authenticate and deliver to or upon the order of the Company, additional Bonds for an aggregate principal amount equal to sixty per cent. (60%) of the net bondable value of property additions. The Trustee shall authenticate and deliver such additional Bonds only upon receipt by it of:

(a) An engineer's certificate showing in substance:

1) The matters with respect to any particular gross property additions, included in the certificate then being filed, which are or shall have been included at less than the cost to the Company, or the fair value to the Company, as the case may be (and so specified) in any other certificate or certificates filed with the Trustee pursuant to this Subdivision (a) or Section 3(a) of Article VII (specifying such other certificates), as are provided to be stated under paragraph (2) of this Subdivision (a) with respect to property additions being included in such a certificate for the first time, except that, in lieu of the statement that such particular gross property additions were purchased, constructed or otherwise acquired by the Company during the period specified pursuant to said paragraph (2), a statement shall be made that such particular gross property additions were acquired before such period. The amount at which each such particular gross property addition is or shall have been included in any other certificate filed with the Trustee pursuant to this Subdivision (a) or Section 3(a) of Article VII. The aggregate excess, if any, of (i) the cost to the Company, or the fair value to the Company, as the case may be, stated in the certificate then being filed with respect to each such particular gross property addition, over (ii) the amount at which such particular gross property addition is or shall have been included in all such other certificates.

(2) The aggregate cost to the Company of the gross property additions purchased, constructed or otherwise acquired by the Company during the period specified in the certificate then being filed and not described in any previous certificate filed with the Trustee pursuant to this Subdivision (a) or Section 3(a) of Article VII. A description in reasonable detail of such gross property additions, which may be in accordance with the classifications then used by the Company in its Road and Equipment Account and may, in the case of tracts or parcels of land, be by reference to the deeds by which the same were acquired or to the supplemental indenture by which the same were or are being conveyed to the Trustee, and which shall specify any gross property additions consisting of equipment or of an acquired system, or which shall have been acquired and paid for in whole or in part through the issue or delivery of shares of stock or other securities. Whether any equipment included in such gross property additions has theretofore been or is then included in a certificate of the nature prescribed by Section 1(b) of Article VII, and, if so, the amount at