

MORTGAGE OF REAL ESTATE

37276 PROVENOR-LARRARD CO.-GREENVILLE

of the Corporation for the time being may sign, and the Trustee may certify, said bond for delivery in exchange or in lieu of the bond so lost, mutilated or destroyed, on proof by affidavit of such loss, mutilation or destruction, satisfactory to the Corporation and to the Trustee, and upon receipt also of indemnity satisfactory to them, and upon surrender and cancellation of such bond, if mutilated; and the Corporation and the Trustee shall have the right to require and demand such security as a condition precedent to the recognition, establishment or payment of any bond or coupon, the loss mutilation or destruction of which may be established under any procedure or action authorized by any law of the State of South Carolina, whether such law does or does not provide for such indemnity.

ARTICLE III.REDEMPTION OF BONDS

Section 1. At an interest date, beginning with the 1st of July, 1940, provided no default exists hereunder, the Corporation may at its option, expressed by resolution of its Board of Directors, redeem and retire all or any part of the bonds at the time issued and outstanding and secured hereunder upon payment of the principal amount so to be redeemed, with interest accrued at the date of redemption, provided the Corporation shall have given prior notice by publication in some newspaper of general circulation in Greenville, S. C., once a week for four (4) consecutive weeks prior to the date fixed for redemption, specifying the date for such redemption and stating that the interest on bonds to be redeemed shall cease upon such date. A like written notice shall be mailed by the Corporation to the holders of the bonds registered as to principal, if there be any so registered, at their last address appearing on the bond register of the Corporation, not less than thirty (30) days prior to said date.

Notice of intention to redeem having been so given and the Corporation having deposited with the Trustee on or before the date of redemption, the full amount of principal and interest to satisfy and pay the bonds so designated for redemption, the bonds specified in said notice shall on the day designated for redemption become due and payable at the office of the Trustee. From and after said date of redemption, no further interest shall accrue upon any of the bonds so redeemed; and anything in said bonds or in such coupons or in this Third mortgage to the contrary notwithstanding, all unmatured coupons for interest thereon shall be and become null and void, and said bonds and unmatured coupons shall cease to be entitled to any benefit of this Third Mortgage, except that the holders of said bonds shall be entitled to receive payment of the redemption price upon presentation on and after date of the bonds and unmatured coupons. All bonds and coupons redeemed and paid hereunder shall be delivered by the Corporation to the Trustee and shall be forthwith cancelled and a certificate of destruction shall be made by the Trustee and delivered to the Corporation.

In the case of redemption of a part only of said bonds, the particular bonds to be redeemed shall be selected by the Trustee by lot.

Provided, however, that whenever the Corporation shall call for redemption any of the bonds secured hereunder, then and in such event it must at the same time call for redemption and redeem Second Bonds issued by this Corporation, to amount in dollars equal to four times the amount in dollars of the Mortgage Bonds Class C, called for redemption.

ARTICLE IV.PARTICULAR COVENANTS BY THE CORPORATION.

Section 1. The Corporation covenants that it shall and will duly and punctually pay, or cause to be paid, to every holder of any bond issued hereunder and hereby secured, the principal of said bonds and the interest accruing thereon, in lawful money of the United States of America, at the dates and places and in the manner mentioned in said bonds, or in the coupons thereto appertaining, according to the true intent, tenor and effect of said bonds and coupons and of this Indenture, without deduction for any tax or taxes which the Corporation may be required to pay thereon under or by reason of any present or future law, national, state or municipal, or other taxing authority, the said Corporation hereby agreeing to pay all such taxes, assessments or charges; but this provision shall not apply to any inheritance or succession taxes, or to income taxes.

Section 2. The Corporation covenants that it will, from time to time, punctually and duly pay and discharge all taxes, assessments, and charges lawfully imposed upon the hereby mortgaged premises, or upon any part thereof, or upon the income therefrom, or its right to do business as, or be a Corporation, or upon the interest of the Trustee hereunder, and will duly observe and conform to all valid requirements of any governmental authority relative to any of the rights or property at any time covered or affected hereby, and it will not create, or suffer to be created, any mechanics', laborers' or other liens or charges whatsoever upon the premises mortgaged hereby, or upon any part thereof prior to the lien of these presents, with the exception of a First Mortgage securing a note in the amount of Three Hundred Twenty-five Thousand (\$325,000.00) Dollars, and a Second Mortgage or Deed of Trust securing Second Mortgage Class B Bonds to the amount of One Hundred Ninety-five Thousand (\$195,000.00) Dollars, or do or suffer to be done, any matter or thing whereby the lien or security of these presents will be impaired, and that within thirty (30) days after the same shall accrue it will pay or cause to be