

This bond is one of a series of Ten (10) bonds of the Company, designated as its 5% First Mortgage Bonds, Second Series, aggregating the principal sum of Two Hundred Fifty Thousand and No/100 (\$250,000.00) Dollars, numbered One (1) to Ten (10), both inclusive, being each in the sum of Twenty-five Thousand and No/100 (\$25,000.00) Dollars, the first of said bonds maturing on June 1, 1956, and one bond maturing on June 1 of each year thereafter, to and including June 1, 1962, and three bonds maturing June 1, 1963, all issued on a parity with the issue of \$250,000.00 5% First Mortgage Bonds of the Company dated as of June 1, 1953 (or such portion thereof as may now or from time to time be outstanding) both issues of bonds being equally and ratably secured as to principal and interest by an Indenture covering real and personal property dated as of June 1, 1953, as amended by a Supplemental Indenture dated as of June 1, 1955, and also by said Supplemental Indenture, both indentures having been executed by the Company to The Guilford National Bank of Greensboro, North Carolina, as Trustee, and recorded in the Office of the Register of Mesne Conveyance of Greenville, South Carolina, to which Indenture and Supplemental Indenture and all indentures supplemental thereto, reference is here made for a description of the property mortgaged and pledged, the nature and extent of the security, the terms and conditions upon which the bonds are issued and secured and the rights of the holders hereof and of the Company, and the rights, duties, and immunities thereunder of the Trustee, including the right of the Company to pay and retire this bond before maturity under the conditions and upon the terms set forth in the Supplemental Indenture.

This bond is subject to prepayment or redemption, at the option of the Company, prior to the maturity date hereinabove specified upon the payment of certain redemption prices, as stated in the Supplemental Indenture. If this bond is called for redemption and payment hereof is duly provided for, as specified in the Supplemental Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

With the consent of the Company and to the extent permitted by and as provided in the said Indenture and Supplemental Indenture, the holders of seventy-five (75%) per cent or more in principal amount of all bonds then outstanding have power to authorize any modification or alteration of said Indenture and Supplemental Indenture or of any indenture supplemental thereto or of the rights and obligations of the Company thereunder or the holders of the bonds thereunder, provided always that, without the authorization of the holders of all the bonds then outstanding no such modification or alteration (a) shall change or impair the obligation of the Company to pay the principal of and interest on the bonds at the respective dates and at the place and in the respective amounts, including the redemption prices, as provided in the Indenture as amended and Supplemental Indenture; (b) shall give to any bond or bonds secured thereby any preference over any other bond or bonds so secured; (c) shall authorize the creation of any lien prior to or on a parity with the lien of the Indenture as amended and Supplemental Indenture upon any of the property subject to the lien thereof; (d) shall deprive any bondholder of the security afforded by the lien of the Indenture as amended and the Supplemental Indenture; or (e) shall reduce the percentage in principal amount of the bonds required to authorize or consent to any such modification or alteration.