

discharged or will make adequate provisions to satisfy and discharge all lawful claim and demands which if unpaid might by law become a lien or charge upon said properties or any part thereof; provided, however, that it shall not be required to pay any such taxes, assessments, charges or liens so long as it shall in good faith and by appropriate legal proceedings contest the validity thereof, and provided that such reasonable security for the payment thereof shall be given as the Trustee shall require, and that it will duly and punctually perform and keep all the covenants and conditions contained and set forth herein, as well as those upon or under which any property rights covered or affected hereby are held.

Section 3. The Corporation covenants that it has good right, full power and lawful authority to grant and convey the premises and estate hereby conveyed by it, in the manner and for the purposes aforesaid; that it has done no act to incumber said property other than this indenture, and a First Mortgage given to secure a note to the amount of Three Hundred Twenty-five Thousand (\$325,000.00) Dollars, and a Second Mortgage or Deed of Trust given to secure bonds to the amount of One Hundred Ninety-five Thousand (\$195,000.00) Dollars, and that it will forever warrant the title to the property hereby conveyed, or intended so to be, against the claims and demands of all persons whatsoever and its freedom from incumbrance, except as specified in accordance herewith.

Section 4. In order to prevent any accumulation after maturity of coupons, the Corporation agrees and covenants that it will not, directly or indirectly, extend or assent to the extension of the time for the payment of any coupon upon any bond secured hereby; directly or indirectly be a party to or approve any such arrangement by purchasing or funding said coupons, or in any other manner, and that in case the time of payment of any such coupons shall be extended, such coupons shall not be entitled, in case of default hereunder, to the benefit or security of this Indenture, except subject to the prior payment in full of the principal of all bonds issued hereunder, then outstanding, and of all matured coupons of such bonds, the payment of which has not been so extended. The foregoing provisions shall not apply to or affect any extension of the time of payment of any such coupons, by the holders thereof with the consent in writing thereto of the holders of at least seventy-five (75%) per cent. of the bonds then outstanding secured hereunder, provided such written consent shall be filed with the Trustee. And in case of any default in the payment of the interest or principal of any bonds secured by this Indenture, or in the performance of any covenant or agreement herein expressed, the Trustee may, with the like consent of the holders of seventy-five (75%) per cent, in amount then outstanding of said bonds, waive such default and make such agreements with the Corporation, or with any successor to, representative or receiver of the Corporation, as it may deem wise in regard to such default, and in regard to the remedies to be pursued by the Trustee or by the bondholders on account of any such default. But no such agreement or action by the Trustee shall affect the time of maturity or the amount of principal or interest to be paid on any such bond or coupon without the assent of the holder thereof. The Trustee shall be protected and released from all liability, in treating as holders of any bonds those shown by affidavit or by other proof satisfactory to the Trustee, to be such holders.

Section 5. The Corporation covenants that it will at all times maintain, preserve and keep the mortgaged premises, and every part thereof, with the appurtenances and every part and parcel thereof, in thorough repair and condition; and from time to time make all needful and proper repairs, so that at all times the value of the security for the bonds issued hereunder and of the property hereby mortgaged shall be fully preserved and maintained.

Section 6. The Corporation covenants that until all the bonds hereby secured, together with the interest thereon, shall be fully paid and satisfied, the Corporation will make all reports and will comply with all laws, acts, rules, regulations and orders of any national, state, legislative, executive, administrative or judicial body or officer, exercising any power of regulation or supervision over it, or any part of the trust estate; provided, however, that the Corporation may in good faith contest any such law, act, rule, regulation or order in any lawful and reasonable manner which will not endanger or subject to prior lien or to forfeiture, the title of the Trustee to any part of the trust estate.

Section 7. So long as any of the Third Mortgage Bonds Class C issued hereunder are outstanding, the corporation will, at its own cost and expense, insure and keep insured against loss or damage by fire and under the usual standard form of policies in reliable insurance companies authorized to do business in the State of South Carolina, satisfactory to the Trustee, the buildings and improvements situated on the mortgaged premises, in an amount of at least Six Hundred Seventy Thousand (\$670,000.00) Dollars. The said policies shall be payable under the New York Standard Mortgage Clause for the benefit of the following as their interests may appear: (1) For the benefit of the holder of the note secured by the First Mortgage in the amount of Three Hundred Twenty-Five Thousand (\$325,000.00) Dollars; (2) for the equal and proportionate benefit of the Second Mortgage Bonds Class B then outstanding; and (3) for the equal and proportionate benefit of the Third Mortgage Bonds Class C then outstanding; and said policies shall be delivered to the first mortgagee. The Corporation will deliver all renewals policies to the First