

MORTGAGE OF REAL ESTATE

37276 PROVENOR-JARRARD CO.-GREENVILLE

paid in the amounts and at the times hereinafter set forth, at par, plus accrued interest:-

<u>Aggregate Principal Amount to be Redeemed</u>	<u>Date</u>	<u>Aggregate Principal Amount to be Redeemed</u>	<u>Date</u>
\$15,000	Nov. 1, 1938	\$25,000	Nov. 1, 1945
15,000	Nov. 1, 1939	25,000	Nov. 1, 1946
20,000	Nov. 1, 1940	25,000	Nov. 1, 1947
20,000	Nov. 1, 1941	25,000	Nov. 1, 1948
20,000	Nov. 1, 1942	25,000	Nov. 1, 1949
20,000	Nov. 1, 1943	350,000	Nov. 1, 1950
20,000	Nov. 1, 1944.		

The particular bonds to be redeemed hereunder shall be selected by the Trustee by lot, and shall be called by the Trustee after notice to the holders of such bonds as provided in Section 1 (2) of Article III of this Indenture.

Section 3. That for the purpose of creating a sinking fund to aid in retiring the First Mortgage Bonds hereby secured, the Company covenants that it will ten days before the first of November in each year (so long as any bonds secured hereby are still outstanding) beginning November 1, 1938, out of its net earnings, pay to the Trustee to be deposited in The South Carolina National Bank of Charleston an amount equal to the aggregate principal amount of bonds to be redeemed November 1st of that year, to be used as a sinking fund for the retirement of bonds secured hereunder and called for redemption that year.

Provided, however, that if funds from any other source than net earnings, shall be provided by the Company sufficient to redeem the whole or any part of the bonds required to be called for redemption in any one or more years, the Company shall to that extent be released from its obligation to pay out of its net earnings the amount required to be set up as a sinking fund for that year or years.

In lieu of cash the Company shall have the right to deposit with the Trustee, bonds secured hereby which it may have purchased or otherwise acquired, and the Company shall have credit therefore at the face value of the bonds so purchased or acquired as a payment on account of sinking fund, and the aggregate principal amount of bonds required to be called for redemption shall be reduced proportionately.

Section 4. The Company may anticipate the payments required to be made into the sinking fund and make larger payments at any time, and all payments into the sinking fund in excess of the annual deposits stipulated in this Indenture, whether such deposits be in cash, or in bonds secured hereby as above permitted, shall be credited against said annual deposits required to be made by the Company under Sec. 3, Art. III of this Indenture.

Section 5. The Company shall have the right at any time out of any funds on hand to purchase at the best price obtainable any bond or bonds which may be offered to it or to purchase bonds in the open market, provided the purchase price shall not in any event exceed par plus interest accrued to the date of purchase. The Company shall also be entitled to have applied to the payment of bonds so purchased any sums of money then held by the Trustee under this Indenture and applicable under the provisions hereof to the redemption of bonds and not necessary for the redemption of bonds theretofore called for redemption.

The Trustee, upon the presentation to it for cancellation of any bonds so purchased, with all unmatured coupons annexed thereto, and of a certificate by the corporation stating the purchase price of such bonds, shall pay to the corporation, or upon its written order, the purchase price of bonds so presented not exceeding the total of the funds then in the possession of the Trustee and applicable to such payment as hereinabove provided, and shall thereupon cancel such bonds and all coupons annexed thereto.

Section 6. Upon written consent of the Trustee and upon such terms as it may approve, the Company shall have the right at any time to sell and convey its interest in the premises at