

TITLE TO REAL ESTATE

ARTICLE 4.

PARTICULAR COVENANTS OF THE COMPANY.

The Company covenants and agrees with the Trustee, for the benefit of the Trustee and of the several holders for the time being of the bonds and of the coupons as follows:

§4.01. That it will promptly pay or caused to be paid the principal of and interest on the bonds issued hereunder according to the terms thereof and hereof and of any coupons thereunto appertaining. As the coupons annexed to the bonds are paid, they shall be cancelled.

That within sixty (60) days after the date upon which any instalment of interest on any of the bonds is payable, the Company will deposit with the Trustee, or with some other depository approved by the Trustee, in a special account and in trust as below provided, an amount sufficient to pay all coupons then matured but which shall not theretofore have been paid or presented for payment, which are appurtenant to the bonds the holders of which are entitled then to receive payment of such instalment of interest, upon surrender of such coupons.

Any moneys which at any time shall be deposited by the Company or on its behalf with the Trustee or any other depository for the purpose of paying any of the bonds which shall become due and payable, whether at maturity thereof or upon call for redemption, or for the purpose of paying any matured coupons appertaining to any of the bonds, shall be and are hereby assigned, transferred and set over to the Trustee or such other depository, to be held in a special account and in trust for the respective holders of the bonds or coupons for the purpose of paying which said moneys shall have been deposited. Any interest accruing on such moneys during the period the same shall remain on deposit shall belong to the Company and shall be paid to it from time to time upon request of the Treasurer or an Assistant Treasurer of the Company. Any moneys so deposited which shall not be required for the purposes for which such deposit was made shall be repaid to the Company upon written request of its Treasurer or one of its Assistant Treasurers; and any such moneys remaining unclaimed by the holders of such bonds or coupons, for six years after the date the same shall have become payable, shall be paid by the Trustee or such other depository to the Company, upon the written order of its Treasurer or one of its Assistant Treasurers, and the holders of such bonds or coupons shall thereafter be entitled to look only to the Company for the payment thereof; provided that the Trustee or such other depository, before being required to make such payment to the Company, may at the expense of the Company, cause notice that said moneys have not been so called for and that after a date named therein they will be returned to the Company, to be published once a week for three (3) successive calendar weeks in a daily newspaper of general circulation in the City of Charleston, South Carolina.

§4.02. That it owns and is lawfully possessed of all of the lands, plants, machinery, equipment and all other property and rights hereby mortgaged, pledged, conveyed and assigned and described in Subdivision A of Part I of the granting clauses hereof as now owned by the Company, and that as to such property and as to the right, title and interest of the Company in the real estate and other property described in Subdivision B of Part I and Part II of said granting clauses it will preserve indefeasible title to all of the mortgaged property, subject, however, to the prior lien of the Underlying Mortgage, in so far as the same attaches to any of such property, and other permitted liens as hereinafter defined in this §4.02, and will warrant and forever defend the same to the Trustee against the claims of all persons, except aforesaid.

That, except as aforesaid, there are now outstanding any liens or encumbrances prior to or on a parity with the lien of this Indenture nor will the Company suffer or permit any mechanics' laborers' or other liens prior to or on a parity with the lien of this Indenture (except permitted liens as hereinafter in this §4.02 defined) to exist upon any of the mortgaged property, or any part thereof.

The term "permitted liens" as used in this Indenture shall be deemed to mean any of the following liens and encumbrances, namely, (1) of lien of this Indenture, (2) the lien of the Underlying Mortgage, and any indenture supplemental thereto, (3) liens and encumbrances junior to the lien of this Indenture, (4) taxes for the current year or which are not yet delinquent, (5) taxes or liens created by assessments of governmental bodies, payment of which is due in instalments over a period of time and no payment of which is overdue, and taxes and assessments payment of which is being contested in good faith by the Company, (6) liens and encumbrances which shall have been adequately protected against by the deposit of cash sufficient for the payment or retirement thereof with the Trustee hereunder, and (7) easements, servitudes, conditions or restrictions of such character as shall not, in the opinion of counsel, be such as to interfere materially with the proper operation and development of the mortgaged property.

§4.03. That it will promptly pay all lawful taxes, governmental charges and assessments at any time levied or assessed upon or against this mortgage or the mortgaged property or upon the income therefrom or the business carried on by the Company, or its right to do business as or