

that before the loss or damage occurred; Provided, However, that so long as no default, as herein defined, shall have occurred, The Trustee is authorized to pay out of the money or monies collected from the insurance company or companies sufficient amounts to reimburse The College for such restoration on the presentation of proof that such restoration or repairs shall have been properly completed. In the event that the total cost of such restoration or repair is less than the sum of money or monies collected from the insurance company or companies, the balance shall be paid by The Trustee to The College unless there be a default as herein defined, but if such balance exceeds Ten Thousand (\$10,000.00) Dollars, any amount in excess of said sum of Ten Thousand (\$10,000.00) Dollars shall be paid to apply upon the Bonds hereby secured of the latest then existing maturity date.

ARTICLE VII.

FINANCIAL STATEMENTS.

The College covenants as follows:

(a) That The Trustee shall have at all times, access to the books and records of The College.

(b) That, within ninety days after the close of its fiscal year, The College will furnish The Trustee with a consolidated financial statement of The College, duly certified by a certified public accountant, duly licensed as such in the State of South Carolina, said financial statement to be furnished for each consecutive fiscal year during the life of this Trust Indenture.

(c) That it will promptly furnish to The Trustee upon request any and all additional information which may be deemed advantageous or necessary to The Trustee for the purpose, and as required to carry out the provisions of, the Trust as set forth in this Indenture.

The Trustee covenants that it will retain any and all financial statements furnished to it by The College in its records and files during the life of any of the Bonds or of this Indenture.

ARTICLE VIII.

ADVANCES MADE BY TRUSTEE OR BONDHOLDERS.

The College covenants that in case it shall be in default in the payment of any taxes, assessments or charges, or in the payment of any premium of insurance hereinbefore covenanted by it to be paid and discharged, at the time when same shall become due and payable, or shall fail in the payment of any other charge herein covenanted to be paid by it, except the payment of principal or interest on the Bonds, then and in such event, The Trustee or any Bondholder may make good any such default or defaults of The College, and any sum or sums or money so expended by The Trustee or by any Bondholder for any such purpose shall be and become a part of the indebtedness secured hereby, together with interest thereon at the rate of six per cent (6%) per annum from the date of payment, and such payment and interest thereon shall be due and payable by The College on the date of the maturity of the next installment of interest on the Bonds then outstanding; and the amount of such payment and interest thereon shall be entitled to preference and priority in payment over the indebtedness represented by the Bonds, including interest. This right shall be without prejudice, however, to the right of The Trustee hereunder by reason of such default on the part of The College to declare the full amount hereby secured due and payable, or otherwise to proceed against The College in any manner herein provided. The Trustee shall not be and is nor hereby obligated to advance its own funds for any of the purposes of this Article.

ARTICLE IX.

DEFAULT AND FORECLOSURE

Section 1. - What Constitutes a Default.

The occurrence of any one or more of the following specific events shall