



Dollars are numbered serially from M-1 to M-188, inclusive. The Debentures in the denomination of Five Hundred (\$500.00) Dollars are numbered serially from D-1 to D-124, inclusive. The Debentures bear interest at the rate of $5 \frac{3}{4}\%$ per annum from June 1, 1949. All of said Debentures are issued, or are to be issued under and equally entitled to the benefits and subject to the provisions of an Indenture, (hereinafter called the "Indenture"), dated as of June 1, 1949, between the Company and The South Carolina National Bank of Charleston, as Trustee, (hereinafter called the "Trustee"), to which reference is hereby made for a statement of the rights thereunder of the owners of the Debentures of the Company.

At its option, the Company may at any time redeem all or any part of this issue of Debentures prior to maturity, upon giving not less than sixty (60) nor more than seventy (70) days notice as provided in the Indenture securing same and by the payment of the principal thereof and a premium of three (3%) per cent of the par value of the Debenture, together with accrued interest to the redemption date. From and after the date fixed for redemption, this Debenture shall cease to bear interest unless the Company shall default in the payment of the redemption price thereof.

In case an event of default, as defined in said Indenture, shall occur, the principal amount of this Debenture and of all other Debentures issued thereunder may become or be declared due and payable in the manner and with the effect and subject to the conditions provided herein and in the Indenture.

No recourse shall be had for the payment of the principal of, or premium, if any, or the interest on this Debenture, or for any claim based hereon, or otherwise, in respect hereof, or of the Indenture, against any incorporator, subscriber to the capital stock, stockholder, officer or director, past, present or future, as such, of the Company, or of any successor corporation, either directly or through the Company, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, such liability being by the acceptance hereof expressly waived and released and being likewise waived and released by the terms of the Indenture.

There is attached to this Debenture a warrant entitling the registered owner hereof to purchase $37\frac{1}{2}$ shares of the common stock of Hunt Machine Works, Inc., for each \$500 face amount of the Debenture at the price of \$3.00 per share, such right to expire on the date of maturity of this Debenture or on the redemption date fixed in any notice of redemption, whichever shall first occur. The Company is reserving 18,750 shares of its common stock for the purpose of protecting the rights of the common stock purchase warrant holders.

After registry duly endorsed hereon, no transfer shall be made of this Debenture except by notation hereon and on the transfer and registry books of the undersigned, at The South Carolina National Bank of Charleston, at its Greenville, South Carolina, office.

