

tee at any time under the provisions of this section shall exceed five hundred thousand dollars (\$500,000), or twenty-five per cent. (25%) of all Bonds at the time outstanding hereunder, whichever is less.

Money so deposited with the Trustee to anticipate the issue of additional Bonds shall be held by the Trustee upon the trusts hereof subject to the provisions of subsection H or section 1 of Article VII hereof, and shall be repaid to the Company, upon written application therefor by the treasurer of the Company, accompanied by resolutions of the board of directors of the Company authorizing such application, from time to time in respect of refunding under section 2, and/or in respect of additional property under section 3, of this Article, in lieu of and in amounts equal to the principal amount of additional Bonds which would otherwise be issuable under the provisions of said section 2 and/or section 3, but only subject to the provisions of sections 5 and 6 of this Article and only under the conditions, and when there shall have been filed with the Trustee the proofs and authorizations conforming to the provisions hereof and evidencing compliance therewith, specified in subsections B, D, E, F, and H (except in so far as the provisions of said subsection H were complied with at the time of depositing the cash being withdrawn) of section 3 of this Article, and (in the case of Bonds otherwise issuable under the provisions of said section 2) upon deposit with the Trustee of Bonds accompanied by a sworn certificate of the president and treasurer of the Company, both as required by said section 2.

Section 5. The matters required by any of the provisions of this Article to be dealt with by any resolution, certificate, report or opinion may be covered by two or more resolutions, certificates, reports or opinions, as the case may be, which shall be considered together and the same officer or officers of the Company or the same engineer, accountant, counsel, or other person or persons, as the case may be, need not certify to all matters required to be certified by such person or persons under the provisions hereof. The Company shall always be at liberty to file with the Trustee resolutions, certificates, reports or opinions additional to those originally filed in respect of any refundable Bonds, and/or in respect of additional property, for the purpose of evidencing subsequent changes in respect thereof or in respect of the availability thereof as a basis for the issue of Bonds or the withdrawal of money, as the case may be.

All resolutions specified in this Article shall be adopted and delivered to the Trustee, and all certificates, reports and opinions specified in this Article shall be executed and delivered to the Trustee, in each case within ninety (90) days of the date of filing, as herein provided, with the Trustee, of the application for the certification and delivery of Bonds or the withdrawal of money, as the case may be; and such resolutions, certificates, reports and opinions shall each refer to this Indenture and shall recite that all statements made therein are true with reference to all pertinent definitions and uses of terms herein.

Section 6. At any time when the Trustee has notice as herein provided that the Company is in default under any provision hereof, during the period of grace, if any, specified in Article V hereof with respect to such default, the Trustee may in its discretion certify and deliver, or refuse to certify and deliver, further Bonds under this Article, and in either case shall be without liability. At any time when the Trustee has notice as herein provided, that the Company is in default under any provision hereof after such period of grace, if any, and so long as such default shall not be cured or waived as herein provided, the Trustee shall not certify or deliver any additional Bonds under this Article.

Before certifying and delivering any additional Bonds pursuant to any of the provisions of this Article, the Trustee in its discretion may cause to be made such independent investigation, or secure such further evidence, as it may see fit. The expense thereof shall be borne by the Company and, if paid by the Trustee, shall be repaid by the Company upon demand. The Trustee shall in no case be bound to make such investigation or secure such evidence unless specifically requested in writing in any particular case by holders of not less than fifteen per cent. (15%) in principal amount of all Bonds at the time outstanding hereunder and furnished with security and indemnity satisfactory to the Trustee.

ARTICLE IV

Particular Covenants of the Company

The Company covenants and agrees, in particular, but without limiting other covenants and provisions hereof, as hereinafter in this Article set forth, namely:

Section 1. The Company will duly and punctually pay or cause to be paid the principal of and interest on each of the Bonds, at the dates and place and in the manner mentioned in the Bonds, in the coupons and herein, according to the true intent and meaning thereof and hereof; The interest on the coupon Bonds on and before maturity of the principal shall be payable only upon presentation and surrender of the several coupons for such interest as they respectively mature, and such coupons, when paid, shall forthwith be canceled and, upon its written demand, delivered to the Company, provided, however, that in the event of a call of Bonds for redemption on a date other than an interest date and the deposit of the amounts required to redeem Bonds so called in accordance with the terms of section 1 of Article X hereof, interest shall be payable to such redemption date as a part of the redemption price, although as provided in said section all coupons maturing after said date shall be void. In order to prevent any accumulation of coupons and claims for interest after their respective maturities, the Company will not, directly or indirectly, extend or assent to the extension of the time for the payment of any coupon or claim for interest and will not, directly or indirectly, be a party to or approve any such extension by purchasing or refunding such coupons or claims for interest, or in any other manner.

The Company, at least three (3) days prior to each date on which an instalment of interest on or the principal of any of the Bonds, containing provisions for payment at the office of the Trustee, becomes due, will deposit or cause to be deposited with the Trustee the entire amount necessary to pay all the Bonds and coupons and claims for interest due at such office on such date other than such, if any, as are then delivered to the Trustee canceled or for cancellation; and each such deposit on account of interest and principal, subject to the provisions of subsection H of section 1 of Article VII hereof, shall be held by the Trustee as a special deposit for the account of the holder or holders of the Bonds and coupons and claims for interest so due on such interest date; and/or the Company will, at least three (3) days prior to each date on which an instalment of interest or the principal becomes due on such, if any, of the Bonds as are payable by their terms at a place or places other than the office of the Trustee, deposit or cause to be deposited with the paying agent or paying agents designated in such Bonds or coupons the entire amount necessary to pay all the Bonds and coupons due at such other place or places on such date other than as aforesaid. As regards Bonds or coupons payable, at the bearer's or registered owner's option, either at the Trustee's office or elsewhere, the Company will, at least three (3) days prior to each such payment date, deposit with the several paying agents the entire amount necessary to pay all such Bonds and coupons under arrangements for necessary transfers of such deposits between the several paying agents in order that all such Bonds and coupons shall be paid when and where due.

The Company will pay the interest upon each Bond of Series A, without deduction therefrom for any income tax (not exceeding two per cent. (2%) of such interest) which the Company or the Trustee may be required or permitted to pay thereon, or to retain therefrom, under any present or future law of the United States of America, and the Company covenants and agrees to pay such tax. The Company further, in the manner and on the conditions set forth in the three (3) next succeeding paragraphs, will reimburse the bearer (or, in case of registration, the registered owner) of each Bond of Series A for taxes imposed upon and paid by such bearer or registered owner, under any present or future applicable law, as follows: for any federal income tax to an amount which when added to any amount of such tax paid by the Company or the Trustee pursuant to the foregoing provisions of this paragraph, shall not exceed two per cent. (2%) of the interest hereon, and (a) for any Massachusetts income tax in respect of the interest from such Bond of Series A to an amount not exceeding six per cent. (6%) of such interest, or (b) for any personal property tax, so imposed by and paid to the State of Connecticut, the State of Maryland, the Commonwealth of Pennsylvania, the District of Columbia or the Commonwealth of Virginia and paid by such bearer or registered owner as a resident of said State or of said Commonwealth or of said District because of his ownership of such Bond of Series A or his receipt of interest thereon, to an amount, in the case of the State of Connecticut and the Commonwealth of Pennsylvania, not exceeding four (4) mills per annum on each dollar of the taxable value thereof, and, in the case of the State of Maryland, not exceeding four and one-half (4½) mills per annum on each dollar of the taxable value thereof, and, in the case of the District of Columbia and the Commonwealth of Virginia, not exceeding five (5) mills per annum on each dollar of the taxable value thereof, provided that any tax or part thereof paid to any county, municipality or other taxing authority in said Commonwealths of Pennsylvania or Virginia or said States of Connecticut or Maryland or said District of Columbia shall be treated for the purpose of this section as so paid to either of said Commonwealths or said States or said District and provided further that reimbursement will not be made in any one year, in respect to any one Bond, for taxes paid to more than one state jurisdiction, the District of Columbia for this purpose being treated as a state.

Each bearer or registered owner claiming reimbursement under the preceding paragraph shall make written demand therefor on the Trustee, such demand being accompanied by a statement signed by such bearer or registered owner, setting forth: (1) the name and address of such bearer or registered owner; (2) the issue number and face amount of each Bond of Series A in respect of which claim for reimbursement is made; (3) that the tax for which reimbursement is claimed, or an instalment thereof in any case where provision has been made by law for payment in instalments, has been paid by such bearer or registered owner; (4) a specification (by description, governmental jurisdiction, amount, date of payment so far as paid, and taxable period covered) of each such tax; (5) in the case of an income tax or taxes imposed by the Commonwealth of Massachusetts (a) a specification of the amount of interest in respect of which the tax was or is to be paid and (b) if the bearer or registered owner demanding reimbursement was not such bearer or registered owner during the entire interest period involved, and at the time of such demand, a

specification of the date when each Bond of Series A in respect of which reimbursement of tax is claimed hereunder was acquired, and/or disposed of, by him; (6) in the case of a tax or taxes imposed by either of the Commonwealths of Pennsylvania or Virginia, or either of the States of Connecticut or Maryland or the District of Columbia, or any county, municipality or other taxing authority therein, a specification of the amount of the taxable value in respect of which such tax was imposed; and (7) that such bearer or registered owner has not previously applied for or received reimbursement on account of such tax. The Company shall not be liable to make reimbursement as provided in this and the preceding paragraph unless such demand be made within sixty (60) days from the date of payment of the tax, on an instalment thereof, and shall in no event be liable to make reimbursement for any interest or penalty.

As respects the right of the person demanding reimbursement, as hereinbefore provided, to receive such reimbursement, the Trustee may in its discretion waive any one or more of the requirements set forth in the preceding paragraph, or may accept and act upon the proof described in the preceding paragraph, or upon such other or additional proof, if any, as it may require or as to it shall seem satisfactory, and may in its discretion grant extensions of time for curing formal defects in the papers submitted under the requirements of the preceding paragraph; and the certificate of the Trustee that a demand and statement as herein provided for, or as modified by the elimination of any requirements which may have been waived by the Trustee, has been deposited with it, and that no other or additional proof has been required by it, or that such other or additional proof as has been required by it has been furnished, shall establish the liability of the Company to make reimbursement. The Company will from time to time pay to the Trustee upon demand sufficient funds to enable the Trustee to make reimbursements in respect of Series A Bonds as provided for in this section, and the Trustee, to the extent of and from such payments received by the Trustee from the Company, shall make reimbursement as hereinbefore provided to the bearers and registered owners of Series A Bonds on account of whose demands for reimbursement payment shall have been so received by the Trustee.

In connection with demands for reimbursement under this section, the phrase "bearer or registered owner" shall be construed as applying to any person, firm, association or corporation receiving interest upon or holding a Bond of Series A in respect of which receipt or holding reimbursement of tax is sought hereunder, irrespective of whether such person, firm, association or corporation shall be such bearer or registered owner at the time of making demand for reimbursement hereunder; the word "interest" shall be construed as including sums paid by a purchaser to a seller in connection with the sale of a Bond of Series A on account of interest accrued thereon; the phrase "Massachusetts income tax" and "income tax imposed by the Commonwealth of Massachusetts", as used in this section, shall be construed to include any Massachusetts corporation tax to the extent that such tax is measured by interest from such Bond of Series A; and for the purpose of establishing the right to reimbursement under this section any tax payable (under applicable provisions of law) in instalments may be considered as paid when the first instalment is paid.

Section 2. The Company will register, exchange and transfer, at the Columbia office of the Trustee, and/or at such other places, if any, as may be specified in any of the Bonds, any of the Bonds containing provisions for registration, transfer and/or exchange at said office presented for that purpose pursuant to the provisions of the Bonds and hereof. The stock warrants may be presented for detachment from the Bonds of Series A and for performance or accomplishment of the terms of said stock warrants, the Bonds of Series A may be presented for payment, registration, exchange and transfer, coupons and claims for interest may be presented for payment, and notices or demands in respect of the Bonds or coupons or claims for interest on Bonds of Series A or of this Indenture may be served or made, at the said office of the Trustee, which shall be the agent of the Company for the purpose of such registration, exchange and transfer and of receiving such presentations, notices and demands. The Company will also maintain such office or agency, or offices or agencies, as may be necessary to comply with the requirements, if any, of Bonds of any other series where such Bonds may be presented for payment, exchange, registration and/or transfer, and where the coupons and claims for interest appertaining to such Bonds may be presented for payment, pursuant to their terms, and at which notices or demands in respect of such Bonds or coupons or of this Indenture may be served. From time to time the Company will file with the Trustee notice in writing of the location, and change in location, of each such office or agency; and, if the Company shall fail to maintain, or to give such notice concerning any such office or agency, presentation, notice and demand may be made or served in respect of Bonds or coupons or claims for interest affected by such failure at the said office of the Trustee, which in such event shall be the agent of the Company for such purpose. But neither the Trustee nor any paying agent or agency shall be under any liability to the Company or to any other person or corporation in respect of any presentation, notice or demand made pursuant to this section except for gross neglect or wilful failure to transmit to the Company any such notice or demand.

Section 3. The Company is duly organized and existing under the laws of the State of Delaware, and is duly authorized under all applicable provisions of law to conduct its business in South Carolina and Georgia and to create and issue the Bonds and to execute this Indenture, and all corporate action on its part for the creation and issue of the Bonds as herein provided and the execution and delivery of this Indenture, has been duly and effectively taken. The Bonds in the hands of holders thereof, and this Indenture, are and will be valid and enforceable obligations of the Company in accordance with the provisions thereof and hereof.

Section 4. The Company will from time to time at the request of the Trustee reimburse, indemnify, put in funds and save harmless the Trustee for and against all expenditures, damages, advances, disbursements, loss, cost, expenses and liabilities to which the Trustee or any person employed or consulted by it hereunder may be or may become subjected, directly or indirectly, by the execution of the trusts hereof, not caused by the gross neglect or wilful misconduct of the Trustee, and will pay to the Trustee reasonable compensation for its services and the services of all persons employed or consulted by it in connection with this Indenture and the trusts, powers and duties thereof, and all sums of money, if any, that shall have been paid or caused to be paid by the Trustee, in case of any default in the payment thereof on the part of the Company, on account of any taxes, assessments, rates, charges, claims, debts, liens or insurance premiums, or other payments required to be made by the Company under any of the provisions hereof, in each case with interest on all overdue payments at the rate of six per cent. (6%) per annum, unless in a particular instance, or in particular instances, a different rate shall be expressly agreed upon by the Company and by the Trustee.

Section 5. The Company will from time to time upon the request of the Trustee make, do, execute, acknowledge, deliver and record or file whenever required for the proper protection of the Bondholders and of the Trustee all such further and additional acts, deeds, assurances and instruments and will take all such further action as may reasonably be required by the Trustee for assuring and confirming to and to the use of the Trustee, in trust, all and singular the property included or intended to be included in the Trust Property and to carry out the intention of this Indenture or for assuring to the Trustee, or the holders of the Bonds and stock warrants, the rights, benefits and security of this Indenture and the covenants of the Company herein contained, and the payment of the Bonds.

Section 6. The Company will not sell, convey, transfer or lease its property as a whole, or substantially as a whole, and no other person, firm, association or corporation shall by consolidation, merger, grant, lease or otherwise be vested with the title to such property, as a whole or substantially as a whole, except upon compliance with the conditions prescribed in Article IX hereof; and the Company will not in any event at any time dispose of any part of its property required or useful in carrying on its business, or of any part of its assets except for full value and in proper conduct of its business.

Section 7. From time to time the Company will comply with all laws, rules, regulations, ordinances and other requirements of any governing body or officer having jurisdiction in the premises relating to the conduct of the Company's business, the erection, repair and use of its buildings, machinery, plant and other property, and otherwise, and will pay and discharge, before the same shall fall into arrears, all taxes, assessments and municipal and governmental rates and charges lawfully levied or imposed upon the Company or upon or in respect of all or any part or parts of its property, business and franchises, or upon or in respect of all or any part or parts of the income and profits thereof, or of the interest of the Trustee or others therein, or of moneys in the possession of the Trustee pursuant to any provision hereof, as well as all lawful claims for labor, materials and supplies, and all other debts and charges which, if unpaid, might by law become a lien or charge upon the property of the Company, or lead to the suspension of its business, and will exhibit to the Trustee, upon request, receipts for, or other satisfactory evidence of, each such payment; provided, however, that nothing herein contained shall require the Company to pay any such taxes, assessments, rates, charges, claims, debts or liens, so long as the Company shall in good faith contest the validity, and stay the execution and enforcement, thereof, and shall, from time to time upon demand of the Trustee, furnish security satisfactory to the Trustee for so staying execution and enforcement and for the payment thereof if and when determined to be valid.

Section 8. The Company will at all times maintain, preserve and keep all and each part of the Trust Property in thorough repair, working order and condition, and supply and keep the same supplied with all necessary equipment, and will from time to time make all needful and proper repairs, renewals, replacements, additions, betterments, alterations and improvements thereto, so that the business carried on in connection therewith, and every portion thereof, may at all times be properly and advantageously conducted, and it will not make or suffer, or permit others to make, any strip or waste thereof.

The Company, except only as interrupted by causes beyond its control, or except upon compliance with the conditions of Article IX hereof, will also continuously conduct and carry on its usual business and use, and operate its property in an efficient and proper manner, and will at all times continue, maintain, extend and renew its corporate existence and franchises for all purposes of this Indenture, and will not permit its