

of this trust. As to the corpus the Trustee shall have full and complete power in the premises, except as restricted in this paragraph.

Four.

As concerns the income from the trust corpus, and also the income accumulations, investments, and accretions, the Trustee is specifically empowered to invest same in real property located in Greenville County, South Carolina; in federal, state, municipal and industrial bonds; in common and preferred stocks listed on the New York Stock Exchange; in Massachusetts-type investment trusts; in federal savings and loan associations; and in life insurance policies of all types, except that the Trustee is prohibited from purchasing insurance policies on the life of the Settlor or from paying the premiums on any such policies. The Trustee shall not be limited to so-called "statutory investments", nor shall it be liable for any mistake of judgment in making or retaining investments, nor shall it be required to produce any specific rate of interest or return. The Trustee is hereby empowered to manage all of the trust property in its full discretion, with the unlimited right to sell, exchange, and convey same in as full and complete a manner as any absolute owner. Should any of said income, or the profits thereof, be invested in real property, the Trustee shall have as full and complete authority over said realty as any owner in fee simple absolute.

Five.

The Trustee shall, on the 15th day of August <sup>c/m</sup> of each year during the ten year period mentioned in Item One hereof, pay to the Settlor's daughter, Lee Rhyne Morgan, the sum of Seven Hundred and Twenty-Five Dollars (\$725.00), payable either direct to said daughter or to her mother Ann A. Morgan, or by deposit in a bank account maintained by said daughter. After said ten year period the Trustee may accumulate or disburse the remaining trust property and the income and accretions thereof in its full and unlimited discretion, as the needs and circumstances surrounding the beneficiary may require, merit or warrant.

Six.

Before making any disbursements from income the Trustee shall pay from the income of the trust corpus all costs, taxes and expenses properly incurred in the administration and management of this trust, and said Trustee shall also first make due allowance for keeping the trust corpus intact by retaining a reasonable amount of current income for that purpose.

Seven.

The Trustee is specifically empowered to purchase life insurance policies on the life of Settlor's wife, Ann Andrews Morgan, and to pay the premiums thereon. As to any such policies the Trustee is authorized to retain same until the final termination of this trust, and neither the policies nor the proceeds thereof should be delivered out of trust prior to such termination date except for urgent and compelling reasons. Prior to such time the said policies should be owned by the trust as beneficiary and held for the purpose of providing liquidity needed to meet probable estate tax liability upon the death of Settlor. The Trustee is hereby empowered to utilize the proceeds in purchasing assets from the Settlor's estate upon his death.

Eight.

The Trustee shall be required to annually furnish to the Settlor and to the beneficiary hereof a statement of assets, receipts and disbursements, but the Trustee shall not be required to file any inventory, report or return to any court nor to give bond.

Nine.

Upon the death of the beneficiary prior to the trust

(continued)