

(2) a. The Trustee, during the lifetime of the Settlor's wife, Vernon Peery Cox, shall pay principal to or for such of the Settlor's children or grandchildren as the Settlor's wife may, from time to time direct and appoint, by a written instrument delivered to the Trustee, making specific reference to the power of appointment hereby granted.

b. Upon the death of Vernon Peery Cox, the Trustee shall pay the then remaining principal and undistributed net income of this Trust, or any part thereof, to or for such of the Settlor's children or grandchildren as the Settlor's wife may by her Last Will direct and appoint, making specific reference to the power of appointment hereby granted.

(3) After the death of the Settlor's wife, to the extent that such testamentary power of appointment shall not extend or take effect, the Trustee shall, without regard to prior distributions, divide this Trust as then constituted into equal shares so as to provide one share for each then living child of the Settlor and one share for the then living descendants, collectively, of each deceased child of the Settlor. Each share, if any, for the then living descendants shall at such time be distributed per stirpes free of trust. The income and principal of each such remaining share shall be held and disposed of as hereinafter provided.

(4) In the event of the death of a child of the Settlor prior to complete distribution of his or her share, then upon the death of such child of the Settlor, such share, or the remainder thereof, shall be distributed per stirpes to his or her then living descendants, if any, or if none, then to the remaining child or children of the Settlor, child or children of a predeceased child to take their parent's share per stirpes, if any, or if none, then to the then living heirs of the Settlor according to the then Intestate Laws of South Carolina.

ARTICLE XI. For its services as Trustee, the Trustee shall receive an amount which shall be determined under South Carolina law.

ARTICLE XII. If the Trustee, either before or during the administration of this Trust (by sale, merger, conversion, consolidation, or reorganization) shall be changed into another corporation authorized to engage in the trust business, including a national bank or national banking association, the corporation resulting from such change, although thereafter bearing a different name, shall succeed to the trusteeship and shall be clothed with all the powers and be entitled to the compensation provided for herein for the original Trustee. This is supplementary to and not in limitation of any law on the subject that now exists or that hereafter may be enacted. Throughout the Agreement the term "Trustee" shall include the original and any successor Trustee unless otherwise expressed or implied.

ARTICLE XIII. In the administration of the Trusts established under this instrument, the Trustee shall have all of the powers granted by law, including but not limited to, the powers granted to a fiduciary by the Prudent-Man Investment Act (S. C. Code 67-58 as amended by the Act of the General Assembly approved April 22, 1965), which powers shall not be revoked or reduced if said statute should hereafter be repealed or restrictively amended. Without limiting the foregoing, the Trustee shall have the right:

(1) To borrow money, whether to pay taxes, to exercise subscriptions, rights, and options, to improve or develop real estate or interests therein for sale or lease, or for other proper purposes and to pledge or mortgage trust or estate assets as security for the repayment thereof.

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