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ARTICLE VI—REMEDIES OF TRUSTEE AND BONDHOLDERS IN EVENT OF DEFAULT

Section 1. If one or more events of default shall happen, then and in each and every such case, the Trustee personally or by its agents or attorneys, either in its own right or as Trustee or as attorney in fact of the Corporation, may enter into and upon any and all or any part of the hereinabove described properties and may exclude the Corporation, its agents and servants wholly therefrom and may use, operate, manage and control said properties and conduct the business thereof, either personally or by its agents, servants and attorneys; and upon every such entry, the Trustee, at the expense of the trust property, from time to time, may repair and maintain and insure or keep insured the said properties as in the judgment of the Trustee may be deemed proper. Upon such entry, the Trustee shall be entitled to collect and receive all earnings, incomes, rents, issues and profits arising from the operation of said properties and, after deducting the expenses of conducting the business of the Corporation and of all repairs, maintenance, renewals, replacements, improvements and the payment of all taxes, assessments and insurance and other proper charges upon said properties, or any of them, as well as just and reasonable compensation for its own service and for the services of its attorneys, agents, servants or employees, to apply the moneys arising as aforesaid for the equal and pro rata benefit of the holders of the then outstanding bonds of the Corporation; and may proceed to protect its rights and the rights of the bondholders under this Mortgage Deed of Trust or First Mortgage by suit or suits in equity or at law or by any special or statutory proceedings whether for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or the foreclosure of this Mortgage Deed of Trust or First Mortgage, or for the enforcement of any other appropriate legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of its rights or duties hereunder.

Sec. 2. If one or more of the events of default shall happen and after the expiration of the period of grace, if any, herein provided for in respect of any such default (such default still continuing), then and in every such case the Trustee may, and upon the request of the holders of Fifty per cent. (50%) in amount of the bonds then outstanding, shall by notice in writing mailed to the Corporation by registered mail, addressed to the Corporation at its office in the City of Greenville, declare the principal of all bonds due and outstanding to be due and payable immediately. Upon such declaration by the Trustee, the principal of all the bonds then outstanding shall become and be immediately due and payable, anything in this Mortgage Deed of Trust or First Mortgage or in said bonds contained to the contrary notwithstanding.

Sec. 3. If one or more of the events of default shall happen and after the expiration of the period of grace, if any, herein provided for in respect of any such default, then the Trustee, either personally or by its attorney, in its discretion may:

(a) Sell at public sale, after advertisement once a week for thirty (30) days in a daily newspaper of general circulation in the City of Greenville, and City of Charleston, the properties hereinabove described, at such place and at the time and upon such terms and conditions as the Trustee may fix and apply the proceeds as hereinafter set forth; or

(b) Proceed to protect its rights and the rights of the bondholders under this Mortgage Deed of Trust or First Mortgage by a suit or suits in equity or at law or by any special or statutory proceeding, whether for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or of the foreclosure of this Mortgage Deed of Trust or First Mortgage, or for the enforcement of any other appropriate legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect or enforce any of its rights or duties hereunder; or

(c) May enforce any guaranty or guaranties of the payment of said bond and/or interest, in such manner as it may be deemed advisable, without being required to first proceed against, marshal, or exhaust the mortgaged premises or security.

Sec. 4. Upon the written request of the holders of the majority in amount of the bonds, in the case of the happening of one or more of the events of default, it shall be the duty of the Trustee, upon being indemnified, to take all needful steps for the protection and enforcement of its rights and the rights of the holders of the bonds and to exercise the powers of entry or sale herein conferred, or both, or to take appropriate judicial proceedings for the foreclosure of this Mortgage Deed of Trust or First Mortgage, or otherwise, as the Trustee, being advised by counsel, shall deem most expedient to the interest of the holders of the bonds.

Sec. 5. In the event of any sale, whether made under the power of sale herein granted or conferred, or under some judgment or decree of foreclosure, or under or by virtue of any other judicial proceedings, the whole of the property subject to this Mortgage Deed of Trust or First Mortgage may be sold in one parcel and as an entirety, or in parcels, as the holders of the majority in amount of the bonds then outstanding hereunder shall in writing request of the Trustee, or, in the absence of such request, as the Trustee may determine.

Sec. 6. Any sale which may be made at public auction shall take place at such time and place and upon such terms and after such notice as the Trustee may fix or specify in the notice of sale to be given or as required by law; and the Trustee shall be entitled to adjourn any sale to be made under the provisions of this Mortgage Deed of Trust or First Mortgage and, without further notice, it may make such sale or sales at the time and place to which same shall or may be adjourned.

Sec. 7. Upon the completion of any sale or sales under this Mortgage Deed of Trust or First Mortgage, the Trustee shall, if required, execute and deliver to the accepted purchaser or purchasers a proper transfer of the property sold. The Trustee and its successors are hereby appointed the true and lawful attorney and attorneys, irrevocably, of the Corporation, in its name and stead to make all necessary or proper conveyances, transfers and assignments of the property thus sold; and, for that purpose, the Trustee may execute all necessary or proper instruments or acts of assignment and transfer, the Corporation hereby ratifying and confirming all that its said attorney or attorneys shall lawfully do by virtue hereof.

All such sale or sales made under or by virtue of this Mortgage Deed of Trust or First Mortgage, whether under the power of sale herein granted and conferred, or under or by virtue of judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Corporation of, in and to the property sold, and shall be a perpetual bar at law and in equity against the Corporation, its successors and assigns, and against any and all persons claiming the property sold or any part thereof, from, through or under the Corporation, its successors and assigns.

Sec. 8. The receipt of the Trustee shall be a sufficient discharge of any purchaser of the property or any part thereof sold as aforesaid for the purchase money and no person, or his representatives, grantees or assigns, after paying such purchase money and receiving such receipt shall be bound to see to the application of such purchase money upon or for any trust or purpose of this Mortgage Deed of Trust or First Mortgage, or, in any manner whatsoever, be responsible for any loss, misapplication or non application of any such purchase money, or any part thereof, or be bound to inquire as to the authorization, necessity, expediency or regularity of any such sale.

Sec. 9. In case of any sale of the trust property, or any part thereof, as aforesaid, the principal of all the bonds, if not previously due, shall immediately thereupon become and be due and payable, anything in said bonds or in this Mortgage Deed of Trust or First Mortgage contained to the contrary notwithstanding.

Sec. 10. The purchase money, proceeds and avails of any sale of the trust property, together with any other sums which then may be held by the Trustee under any provision of this Mortgage Deed of Trust or First Mortgage as part of the trust property, or of the proceeds thereof, shall be applied as follows:

First: To the payment of the costs and expenses of such sale, including a reasonable compensation to the Trustee, its agents and attorneys (not to exceed in the aggregate five per cent) and of all expenses, liabilities and advances made or incurred by the Trustee hereunder, and to the payment of all taxes, assessments and liens prior to the lien of this Mortgage Deed of Trust or First Mortgage, except any taxes, assessments or other superior liens, subject to which such sale shall have been made;

Second: To the payment of the whole amount then owing and unpaid on the bonds for principal and interest, with interest at the rate of Seven per cent. (7%) per annum on the overdue installments of interest, and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon said bonds, then to the payment of such principal and interest, without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and accrued and unpaid interest subject, however, to the provisions of Section 5, of Article IV, of this Mortgage Deed of Trust or First Mortgage.

Third: To the payment of the surplus, if any, to the Corporation, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

Section 11. In case of any sale, as aforesaid, of any of the mortgaged premises or trust property, any purchaser, for the purpose of making settlement or payment of any property purchased, shall be entitled to turn in any bonds and any unmatured and unpaid coupons in order that there may be credited, as paid thereon, the sums payable out of the net proceeds of such sale to the holder of such bonds and coupons as his ratable share of such net proceeds, after allowing for the portion of the total purchase price required to pay the costs and expenses of the sale, or otherwise, and such purchaser shall be credited on account of the purchase price of the property with the sums payable out of such net proceeds on the bonds and coupons so turned in; and, at any such sale, the Trustee, or any bondholders, may bid for and purchase such property and may make payment on account thereof as aforesaid and, upon compliance with the terms of the sale, may hold, retain and dispose of such property, without further accountability therefor.

Sec. 12. The Corporation will not at any time insist upon or plead, or in any manner whatsoever claim, or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force, nor will it claim, take or insist upon any benefit or advantage of law now or hereafter in force, providing for the valuation or appraisal of the trust property, or any part thereof, prior to any sale or sales thereof, to be made pertaining to any provisions herein contained or to the decree of any court of competent jurisdiction; nor after any such sale or sales will it claim or exercise any right under any statute, enacted by the United States of America or the State of South Carolina, to redeem the property so sold, or any part thereof; and the Corporation hereby expressly waives all benefit and advantages of any such law or laws; and it covenants that it will not hinder, delay or impede the execution of any power herein granted or delegated to the Trustee but it will suffer and permit the execution of every such power as through no such law or laws had been made or enacted.

Sec. 13. Whenever any judicial proceedings shall be commenced to enforce any right of the Trustee or of the bondholders under this Mortgage Deed of Trust or First Mortgage, then the Trustee shall be entitled to exercise the right of entry herein conferred and also any and all other rights and powers herein conferred and provided to be exercised by the Trustee upon the happening of any event of default; and, as a matter of right, the Trustee shall be entitled to the appointment of a receiver or receivers of the trust property and of the earnings, incomes, rents, revenues, issues and profits thereof, with such powers as the court or courts making such appointment, shall confer, but, notwithstanding any such appointment, the Trustee shall be entitled to retain possession of all moneys or other property deposited or to be deposited with it hereunder.

Sec. 14. No holder of any bond or coupon shall have any right to institute any suit, action or proceeding in equity or at law for the foreclosure of this Mortgage Deed of Trust or First Mortgage, or for the execution of any trust hereof, or for the appointment of a receiver, or for any other remedy hereunder, or for the enforcement of any guaranty given the Trustee for the benefit of the holders of said bonds, unless such holder shall have previously given to the Trustee written notice of default and of the continuance thereof, as hereinbefore provided; nor unless, also the holders of the majority in amount of bonds then outstanding shall have made written request upon the trustee and shall have afforded to it reasonable opportunity, not less than sixty (60) days, either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; nor unless, also, they shall have offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby and the Trustee shall have neglected to comply with such request. Such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Mortgage Deed of Trust or First Mortgage and to any action or cause of action for foreclosure or for the appointment of a Receiver, or for any other remedy hereunder; it being understood and intended that on one or more of the holders of the bonds shall have any right in any manner whatever to affect, disturb or prejudice the lien of this Mortgage Deed of Trust or First Mortgage by his or their action, or to enforce any right hereunder, except in the manner herein provided; and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided, and for the equal benefit of all holders of outstanding bonds and coupons.

Sec. 15. Except as herein expressly provided to the contrary, no remedy herein conferred upon or reserved to the Trustee, or to the holders of the bonds, is intended to be exclusive of any other remedy but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Sec. 16. No delay or omission of the Trustee or any bondholder to exercise any right or power accruing upon any default shall impair such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Mortgage Deed of Trust or First Mortgage to the Trustee or to the Bondholders may be exercised from time to time and as often as may be deemed expedient by the Trustee or the bondholders severally and respectively.

Sec. 17. Anything in this Mortgage Deed of Trust or First Mortgage contained to the contrary notwithstanding, the holders of the majority in amount of the bonds then outstanding, from time to time, shall have the right to direct and control the method and place of conducting any and all proceedings or any sale under the provisions of this Mortgage Deed of Trust or First Mortgage or for the foreclosure of this Mortgage Deed of Trust or First Mortgage, or for the appointment of a receiver.