

DEED OF TRUST
OF THE
CAROLINA MOUNTAINS, INC.
TO
THE CENTRAL NATIONAL BANK OF SPARTANBURG
SPARTANBURG, S. C.
TRUSTEE

THIS INDENTURE, dated this 1st day of April in the year one thousand nine hundred and twenty-six, by and between Carolina Mountains, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of South Carolina, hereinafter called the "Company," party of the first part, and The Central National Bank of Spartanburg, Spartanburg, S. C., a corporation organized and existing under and by virtue of the laws of the United States of America hereinafter called the "Trustees," party of the second part, witnesseth:

WHEREAS, the Company is issuing its first mortgage 7% Serial Gold Bonds in the sum of Five Hundred Thousand (\$500,000.00) Dollars, of even date herewith, executed on behalf of the Corporation by its President and its Treasurer, in the following denominations and payable as follows, to-wit:

One Hundred Thousand (\$100,000.00) Dollars, known as Series A due April 1st, 1928, divided into 80 bonds for the principal sum of One Thousand (\$1,000.00) Dollars each, and numbered M-1 to M-80, inclusive; and 40 bonds for the principal sum of Five Hundred (\$500.00) Dollars each, and numbered D-1 to D-40, inclusive; the principal sum of One Hundred Thousand (\$100,000.00) Dollars known as Series B, due April 1, 1929, divided into 80 bonds for the principal sum of One Thousand (\$1,000.00) Dollars each, numbered M-81 to M-160, inclusive, and 40 bonds for the principal sum of Five Hundred (\$500.00) Dollars each, numbered D-41 to D-80, inclusive; Series C due April 1, 1930, for the principal sum of One Hundred Thousand (\$100,000.00) Dollars, divided into 80 bonds for the principal sum of One Thousand (\$1,000.00) Dollars each, numbered M-161 to M-240, inclusive, and 40 bonds for the principal sum of Five Hundred (\$500.00) Dollars each, numbered D-81 to D-120, inclusive; Series D, due April 1, 1931, for the principal sum of One Hundred Thousand (\$100,000.00) Dollars, divided into 80 bonds for the principal sum of One Thousand (\$1,000.00) Dollars each, numbered M-241 to M-320, inclusive, and 40 bonds for the principal sum of Five Hundred (\$500.00) Dollars each, numbered D-121 to D-160, inclusive; and Series E, due April 1, 1932, for the principal sum of One Hundred Thousand (\$100,000.00) Dollars, divided into 80 bonds for the principal sum of One Thousand (\$1,000.00) Dollars each, numbered M-321 to M-400, inclusive, and 40 bonds for the principal sum of Five Hundred (\$500.00) Dollars each, numbered D-161 to D-200, inclusive; all bonds bearing interest from date at the rate of 7 per cent. per annum, payable semi-annually on the first days of April and October of each year, all such interest being evidenced by interest coupon notes attached to said bonds, bearing the facsimile signature of the Treasurer of the Corporation, the form of such bonds and the coupon notes thereto attached, being as follows, to-wit:

STATE OF SOUTH CAROLINA
BLUE RIDGE FOREST
CAROLINA MOUNTAINS, INC.
FIRST MORTGAGE, 7 PER CENT. SERIAL GOLD BOND
SERIES.....

KNOW ALL MEN BY THESE PRESENTS, that the Carolina Mountains, Inc., a corporation organized and existing under the laws of the State of South Carolina, is indebted, and for value received, promises to pay to the bearer hereof, or to the registered holder of this bond, if the same be registered, the sum of

ONE THOUSAND DOLLARS (\$1,000.00)

in gold coin of the United States of America of the present standard of weight and fineness on the 1st day of April 19....., at the office of the Hanover National Bank, in the City of New York, with interest in the meantime at the rate of seven per cent. (7%) per annum, payable semi-annually at said office, in like gold coin, on the 1st days of April and October in each year, upon the surrender of the annexed coupons therefor as they severally mature. Both principal and interest of this bond are payable without deduction for any tax or taxes which by any present or future law or ordinance of the State of South Carolina, or the United States, or any State, County or Municipality thereof, the obligor may be required to pay or to retain therefrom. The said Company hereby agrees to pay or refund to the holder hereof the normal Federal income tax not to exceed two per cent. (2%) per annum.

This bond is one of a duly authorized issue of First Mortgage 7% Serial Gold Bonds dated April 1, 1926, amounting in all to the aggregate sum of \$500,000 maturing \$100,000 Series A, on April 1, 1928, \$100,000 Series B, April 1, 1929, \$100,000 Series C, April 1, 1930, \$100,000 Series D, April 1, 1931, \$100,000 Series E, April 1, 1932, and all issued under and equally and ratably secured by a mortgage indenture or deed of trust dated April 1, 1926, executed by said Carolina Mountains, Inc., to The Central National Bank of Spartanburg, Spartanburg, S. C., as Trustee, conveying the property of the Carolina Mountains, Inc., as described in said deed of trust or mortgage to which reference is hereby made for a description of said property mortgaged and the nature and extent of the security, and the rights of the holders of said bonds under the same, and the terms and conditions under which the said bonds are issued and secured.

This bond is entitled to the benefit of a sinking fund created for the purchase, redemption and retirement of the said bonds, and the Company covenants to pay to the Trustee under said indenture a sum equal to thirty per cent. (30%) of the gross receipts from all sales of said property made before the maturity and redemption of this bond, and in case of failure to make such payments, this bond may be made due and payable forthwith in the manner provided in said indenture. Said sinking fund shall be used by the Trustee for the purchase, redemption and retirement of said bonds beginning first with Series A, then Series B and so on in said sequence, all of Series A bonds being retired, before said Sinking Fund shall be used for redemption of Series B, Series C, etc., as provided in said indenture.

All or any part of this issue of bonds is subject to redemption at the option of the Company on any interest date at 101 and accrued interest for Series A; at 102 and accrued interest for Series B; at 103 and accrued interest for Series C; at 104 and accrued interest for Series D and at 105 and accrued interest for Series E.

This bond may be registered in the name of the owner on the books of the corporation, such registration to be endorsed hereon and there-

5th
Sept 3 3 35 2
as per...
with...
Per...

\$96 31

For Release See Deed Book 131 Page 46 deed to W. Beason
For Release See Deed Book 571 Page 12 deed to O. A. Crawford.