

of record, or otherwise, all the property franchises, rights, privileges, and immunities conveyed by these presents from the lien hereof when all the bonds and coupons are paid or retired.

ARTICLE FIFTH

The Company shall have the right at any and all times prior to the maturity and redemption of the bonds hereinabove described and hereby secured to make sale or sales of the lands hereby conveyed, provided such sales shall be made at not less than \$50.00 per acre. And upon the deposit by the Company with the Trustee of so much of the money arising from the sale of the lands hereby conveyed or any part thereof, at the rate of \$50.00 per acre, the Company shall have the right to a release from the lien hereof of the land so sold, and the Trustee is hereby expressly authorized and empowered to release from the lien hereof any land so sold by the Company when there shall be deposited with it a sum of money representing not less than \$50.00 per acre. The Company, however, covenants and agrees to deposit with the Trustee as and for a sinking fund, for the retirement of the bonds secured hereby in accordance with the provisions of Article Fourth of this indenture, an amount equal to thirty per cent. in cash or bonds secured by this indenture of the gross sales price of all lands sold but in no case less than \$50.00 per acre on the lands sold.

The moneys so paid to the Trustee from the sale of lands shall be held by it as a Sinking Fund for the payment of said bonds.

As soon as reasonably practicable after the Sinking Fund shall amount to \$25,000.00 the Trustee shall, by notice published once a week for two successive weeks in one or more newspapers of general circulation in New York City, and Spartanburg, South Carolina, call for offerings of said bonds to the amount so paid and from the bonds offered to it, shall purchase these bonds which are offered to it, at the lowest price, not, however, exceeding one hundred percentum of the principal thereof, together with accrued interest.

If the Trustee shall not receive sufficient offerings of bonds for the investment of said Sinking Fund, it may do one or two things at the option of the Company and upon the written request of the Company, viz.:

First: Invest such moneys, as cannot be invested as aforesaid, in such securities as are legal investment for savings banks under the laws of the State of South Carolina.

Second: The Trustees shall, through such of its officers as may be designated for that purpose, upon ten days' notice to the Company, and in the presence of such officer or agent of the Company as it may designate to attend to such drawing, draw by lot from among the whole number of bonds then outstanding, and without any discrimination or preference as between them, bonds to the amount which can be redeemed at the par value thereof and any accrued interest to the date of redemption together with the premium as provided in said bond out of the moneys then in the hands of said Trustee for that purpose, and at least thirty (30) days before the 1st days of April and October as the case may be, notice of such intended redemption and of the time and place thereof, shall be given to the owners of the bonds drawn and to be redeemed as aforesaid, by advertisement in newspapers published in the City of New York, and Spartanburg, South Carolina, which notice shall mention and refer to each and every bond which has been so drawn, and which is intended to be so redeemed by its number, and thereupon, the interest upon every bond which shall have been so drawn and the number of which shall be advertised and published as aforesaid, shall, from and after the 1st days of April and October next following the publication of such notice, as the case may be, cease and be at an end, and no interest shall thereafter accrue or be payable on any such bond, and the principal and any interest accrued on each and every bond up to said 1st days of April and October as the case may be, shall, on said date, become due and payable, and on that date, or at any time thereafter, upon presentation of each and every such bond, either to the Trustee or at the place mentioned in the advertisement aforesaid, the same shall be redeemed, and there shall be paid for and on every such bond the sum of One Thousand (\$1,000.00) Dollars of Five Hundred (\$500.00) Dollars according to denomination of said bonds and any accrued interest to the 1st days of Apr. and Oct. next following said advertisement, as the case may be, and the premium as provided in said bond.

All moneys paid to the Trustee, or which may at any time remain in its hands, insufficient in amount for the purchase of any of the said bonds, shall be retained by it, and used for the purpose and in the manner provided in Subdivision First hereof, together with the succeeding payment or payments.

The Trustee shall, thereafter, annually, when it shall under the provisions hereof advertise for offerings of bonds, include in the amount applicable to take up such bonds, as herein provided for, the value of the securities in which it may have invested said Sinking Funds with the accumulations of interest thereon, other than bonds issued under and secured hereby, then held in the Sinking Fund, at the estimated price to be realized on a sale thereof.

The Trustee shall be entitled to pay and deduct from any moneys which may come into its hands pursuant to the provisions hereof, the expense of any advertisements which it may cause to be published, and of any other act done or performed by it for the purpose of carrying out the provisions hereof, and a reasonable compensation to the Trustee, its agents, attorneys, and counsel.

The bonds issued hereunder, together with the coupons for interest thereto belonging, immediately upon their acquisition by the Trustee for the Sinking Fund, shall be cancelled and delivered to the Company.

The Sinking Fund shall, subject to the proceeding provisions hereof, be applied by the Trustee to the payment in full, or so far as it will go ratable of the bonds, principal and interest as the same may become due. Any surplus after the payment of principal and interest, and all other expenses and charges, shall be turned over to the Company.

ARTICLE SIXTH

Sec. 1. In case (a) default shall be made in the due and punctual payment of any interest on any bond or bonds issued hereunder and any such default shall continue for a period of six (6) months; or in case (b) default shall be made in the due and punctual payment of the principal of any such bond; or, in case (c) default shall be made in the due observance or performance of any other covenant or condition herein required to be kept or performed by the Company, and any such default shall have continued for a period of six months after written notice thereof to the Company from the Trustee, whose duty it shall be to give such notice at the request in writing of the holders of twenty-five per centum in amount of the bonds accrued hereby at the time outstanding; then and in each and every such case, the Trustee, personally or by its agents or attorneys, may enter into and upon all or any part of the property, premises and lands hereby conveyed, and may exclude the Company, its agents and servants, wholly therefrom and may use or lease and collect the rents, issues and profits thereof, either personally or by its superintendents, managers, receivers, agents and servants or attorneys, to the best advantage of the holders of the bonds secured hereby,