

national, state or municipal or other taxing authority, the said Corporation hereby agreeing to pay all such taxes, assessments or charges; but this provision shall not apply to any inheritance or succession taxes, or to income taxes.

Section 2. The Corporation covenants that it will, from time to time, punctually and duly pay and discharge all taxes, assessments, and charges lawfully imposed upon the hereby mortgaged premises, or upon any part thereof, or upon the income therefrom, or its right to do business as, or be a Corporation, or upon the interest of the Trustee hereunder, and will duly observe and conform to all valid requirements of any governmental authority relative to any of the rights or property at any time covered or affected hereby, and it will not create, or suffer to be created, and mechanics', laborers' or other liens or charges whatsoever upon the premises mortgaged hereby, or upon any part thereof prior to the lien of these presents, with the exception of a First and Second Mortgage securing bonds to the amount of Seven Hundred Fifty Thousand (750,000.00) Dollars, or do or suffer to be done, any matter or thing whereby the lien or security of these presents will be impaired, and that within thirty (30) days after the same shall accrue it will pay or cause to be discharged or will make adequate provisions to satisfy and discharge all lawful claims and demands which if unpaid might by law become a lien or charge upon said properties or any part thereof; provided, however, that it shall not be required to pay any such taxes, assessments, charges or liens so long as it shall in good faith and by appropriate legal proceedings contest the validity thereof, and provided that such reasonable security for the payment thereof shall be given as the Trustee shall require, and that it will duly and punctually perform and keep all the covenants and conditions contained and set forth herein, as well as those upon or under which any property rights covered or affected hereby are held.

Section 3. The Corporation covenants that it will forever warrant the title to the property hereby conveyed, or intended so to be, against the claims and demands of all persons whatsoever and its freedom from incumbrance, except as against the two said prior mortgages.

Section 4. The Corporation covenants that it will, from time to time, on the request of the Trustee, execute, acknowledge and deliver such further instruments and assurances for the better conveying and assuring to the Trustee and its successors in the trust, all the property hereby mortgaged and conveyed, or intended so to be, as by the Trustee or its successors may be reasonably required.

Section 5. In order to prevent any accumulation after maturity of coupons, the Corporation agrees and covenants that it will not, directly or indirectly, extend or assent to the extension of the time for the payment of any coupon upon any bond secured hereby; and that it will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding said coupons, or in any other manner, and that in case the time of payment of any such coupons shall be extended, such coupons shall not be entitled, in case of default hereunder, to the benefit or security of this Indenture, except subject to the prior payment in full of the principal of all bonds issued hereunder, then outstanding, and of all matured coupons of such bonds, the payment of which has not been so extended. The foregoing provisions shall not apply to or affect any extension of the time of payment of any such coupons, by the holders thereof with the consent in writing thereto of the holders of at least seventy-five (75%) per cent. of the bonds then outstanding secured hereunder, provided such written consent shall be filed with the Trustee. And in case of any default in the payment of the interest or principal of any bonds secured by this Indenture, or in the performance of any covenant or agreement herein expressed, the Trustee may, with the like consent of the holders of Seventy-five (75%) per cent. in amount then outstanding of said bonds, waive such default and make such agreements with the Corporation, or with any successor to, representative or receiver of the Corporation, as it may deem wise in regard to such default, and in regard to the remedies to be pursued by the Trustee or by the bond-holders on account of any such default. But no such agreement or action by the Trustee shall affect the time of maturity or the amount of principal or interest to be paid on any such bond or coupon without the assent of the holder thereof. The Trustee shall be protected and released from all liability, in treating as holders of any bonds those shown by affidavit or by other proof satisfactory to the Trustee, to be such holders.

Section 6. The Corporation covenants that it will at all times maintain, preserve and keep the mortgaged premises, and every part thereof, with the appurtenances and every part and parcel thereof, in thorough repair and condition; and from time to time make all needful and proper repairs, so that at all times the value of the security for the bonds issued hereunder and of the property hereby mortgaged shall be fully preserved and maintained.

Section 7. The Corporation covenants that until all the bonds hereby secured, together with the interest thereon, shall be fully paid and satisfied, the Corporation will make all reports and will comply with all laws, acts, rules, regulations and orders of any national, state, legislative, executive, administrative or judicial body, or officer, exercising any power of regulation or supervision over it, or any part of the trust estate; provided, however, that the Corporation may in good faith contest any such law, act, rule, regulation or order in any lawful and reasonable manner which will not endanger or subject to prior lien or to forfeiture, the title of the Trustee to any part of the trust estate.

Section 8. So long as any of the Third Mortgage Bonds Class C issued hereunder are outstanding, the Corporation will, at its own cost and expense, insure and keep insured against loss or damage by fire and under the usual standard form of policies in reliable insurance companies authorized to do business in the State of South Carolina, satisfactory to the Trustee, the buildings and improvements situated on the mortgaged premises, in an amount of at least..... The said policies shall be made payable to the Trustee under the New York Standard Mortgage Clause, and said policies shall be delivered to the Trustee. The Corporation will deliver all renewal policies to the Trustee with premiums paid, at least three (3) days before the expiration of maturing policies under and subject to the foregoing conditions. The Corporation, shall, if so requested by the Trustee, insure against tornado and such tornado policies shall be made payable to and delivered to the Trustee.

Section 9. In case of loss, the Trustee shall allow the insurance money received by it on any policy of insurance on the property above required to be insured, procured by said Corporation, to be applied by said Corporation towards the replacement of or additions to the property destroyed or injured, if the Corporation shall in writing signed by its President, or Vice-President, so request. And thereafter, from time to time, the Trustee shall pay over to the Corporation for that purpose any or all such insurance received on policies procured by the Corporation; but no such insurance money shall be paid over until the Corporation shall present to the Trustee a statement verified by the affidavit of its President or Vice-President, and an engineer or architect satisfactory to the Trustee showing that the Corporation has theretofore made actual expenditures to an amount not less than the amount of the insurance money sought to be obtained from the trustee in or about the replacement of the property destroyed or damaged. But if the Corporation shall not, within ninety (90) days from the time of the payment of any insurance money to the Trustee, in writing, request the Trustee to hold such money for the purpose of enabling the Corporation to pay the