

cost of replacements, as aforesaid, then such insurance money shall, by the Trustee, be paid over to and become a part of the Sinking Fund hereinbefore provided for. If, at any time, there shall remain in the hands of the Trustee any insurance money held upon the request of the Corporation as hereinabove provided for the use of the Corporation in making replacements, the Trustee shall pay said money into the Sinking Fund in the same manner and with like effect as if the Corporation within ninety days from the payment of any loss had failed to notify the Trustee that it desired to make use of such money.

Section 10. In case of any loss covered by any policy of insurance, any appraisal or adjustment of such loss and settlement and payment of indemnity therefor, which may be agreed upon between the Corporation and any insurance company may be consented to and accepted by the Trustee, and the said Trustee shall in no way be liable or responsible for the collection or adjustment of any insurance in case of any loss.

Section 11. The Trustee shall not be under duty to insure any of the mortgaged premises or property, but may, in its discretion, and, if furnished with funds or indemnify to its satisfaction by any of the bondholders, shall, insure any of said mortgaged property or premises against fire to the extent hereinbefore provided, in case the Corporation shall fail to so insure the same. Any premiums so paid for such insurance shall be a first lien on the property and premises mortgaged hereunder and shall be secured hereby, and shall take precedence of any amounts due on the bonds and coupons secured hereby, and shall be immediately repayable by the Corporation to the Trustee upon demand therefor, with interest at seven (7%) per cent. from the date such payment may have been made by the Trustee. In case of the failure of the Corporation to repay same to the Trustee within sixty days after written demand therefor mailed to or served upon the Corporation, such failure to repay shall constitute a default hereunder, entitling the Trustee to enter and take possession, to sell and to bring proceedings to foreclosure, and to exercise all the other rights given hereunder in case of default on the part of the Corporation.

ARTICLE V

EVENTS OF DEFAULT

Section 1. The following events shall be events of default under this Mortgage Deed of Trust or Third Mortgage and the words "event of default" or "events of default" shall mean, whenever same or used in the Mortgage Deed of Trust of Third Mortgage, one or more of the following events:

(a) If default shall be made in the payment of any installment of interest on any of the bonds issued hereunder when and as the same shall become payable as therein and herein expressed and such default shall continue for the period of sixty days:

(b) If default shall be made in the payment of the principal of any of said bonds when the same shall become due and payable either by the terms hereof, by acceleration or otherwise, as herein provided:

(c) If default shall be made in the payment to the Trustee of the sum or sums to be deposited for redemption of said bonds as provided in Section 2 of Article III.

(d) If default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of the Corporation, its successors or assigns, in the said bonds or in this Mortgage Deed of Trust or Third Mortgage contained and such default shall continue for the period of sixty days after written notice to the Corporation from the Trustee or from the legal holder or holders of at least a majority in amount of the principal of said bonds then outstanding secured hereby and unpaid, specifying such default and requiring the same to be remedied; and

(e) If an order shall be made for the appointment of a receiver or receivers of the Corporation or of the trust estate or of any part thereof, or for the sequestration of its assets, or the winding up or liquidation of its business and affairs, or if any action shall be taken by the Corporation for any of the purposes specified in this subdivision (e), or if the Corporation shall be adjudicated a bankrupt, or if there shall be filed a petition for voluntary or involuntary bankruptcy.

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 subject to the rights of any prior mortgages 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 operations 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 the 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, first, for the equal and pro rata benefit of the holders of the various mortgages according to priority, and may proceed to protect its rights and the rights of the bondholders under this Mortgage Deed of Trust by 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 the foreclosure of this Mortgage Deed of Trust, or for the enforcement of any other appropriate legal or equitable remedy, as Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of its rights or duties hereunder.

Section 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 request of the holders of Fifty Per Cent. (50%) in amount of the bonds secured hereunder then outstanding, shall be 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 secured hereunder due and outstanding to be due and payable immediately. Upon such declaration by the Trustee, the principal of all the bonds secured hereunder then outstanding shall become and be immediately due and payable, anything in this Mortgage Deed of Trust or in said bonds contained to the contrary notwithstanding.