

Section 3. If one or more of the events of default shall happen 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, subject to the First and Second Mortgages after advertisement once a week for thirty (30) days in a daily newspaper of general circulation in the City of Greenville, 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 by a 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 of the foreclosure of this Mortgage Deed of Trust, or for the enforcement or 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 bonds and/or interest, in such manner as it may deem advisable, without being required to first proceed against, marshal or exhaust the mortgaged premises or security.

Section 4. Upon the written request of the holders of the majority in amount of the bonds secured hereunder, in the case of the happening of one or more of the events in 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 otherwise, as the Trustee, being advised by counsel, shall deem most expedient to the interest of the holders of the bonds.

Section 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 proceeding, the whole of the property subject to this Mortgage Deed of Trust shall be sold in one parcel and as an entirety.

Section 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 and, without further notice, it may make such sale or sales at the time and place to which same shall or may be adjourned.

Section 7. Upon the completion of any sale or sales under this Mortgage Deed of Trust, the Trustee shall, if required, execute and deliver to the accepted purchaser or purchasers a proper transfer of the property sold, subject to the First and Second Mortgages. 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, 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.

Section 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, 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.

Section 9. In case of any sale of the trust property, 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 contained to the contrary notwithstanding.

Section 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 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 and assessments, 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 secured hereunder 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, Article IV, of this Mortgage Deed of Trust.

Third: To the payment of the surplus, if any, to the Corporation, its successors or assigns, or to whosoever 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 of 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