

(C) Acquisition of one or more additional plants or systems,

upon receipt by the Trustee of:

1. A certificate by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company setting forth in reasonable detail:

(a) That subsequent to July 1, 1924, the Company has done certain construction work or acquired certain property of the character described in (A), (B) or (C) above and the expenditures made or liabilities incurred on account thereof;

(b) That no part of such expenditures made or liabilities incurred has previously been made the basis for the authentication of bonds or the withdrawal of cash under any provision of this Mortgage.

2. A certificate of an engineer satisfactory to the Trustee, who may be an engineer of the Company, setting forth:

(a) That he has examined the work or property described in the certificate of the President and the Treasurer above referred to;

(b) That the expenditures made or liabilities incurred by the Company on account thereof represent the cost to the Company of such work or property;

(c) In the case of (A) or (B), that such work or property constitutes part of the new power station of the Company situated on Broad River, South Carolina, or part of the transmission or distribution system of the Company connected therewith, or additions, extensions, improvements and betterments to the property of the Company;

(d) In the case of (C), that such additional plant or system is so situated that it can be tied into the plant or system of the Company by transmission lines and that it will constitute a part of the plant and system of the Company.

3. Such supplemental indenture and such instruments of conveyance, assignment or transfer as may be necessary in the opinion of counsel, satisfactory to the Trustee, who may be counsel to the Company, to vest in the Trustee hereunder, as part of the property mortgaged and pledged hereunder, all of the right, title and interest of the Company in and to the property with respect to which an authentication of bonds shall have been requested, or the opinion of such counsel that no such instruments are necessary for such purposes, and the opinion of such counsel stating that the Company has, or upon the recording of an instrument of conveyance thereof will have, a marketable title to the property described in the certificate of the President and the Treasurer above referred to, and that such property is, or then will be, subject to the lien of this Mortgage, either free and clear of any prior lien, encumbrance or defect, or that such lien, encumbrance or defect is not a money lien or encumbrance or of a character which will affect the right of the Company to use the property in connection with the operation of its properties. Taxes for the then current year affecting such property and mortgages or other liens affecting rights of way for distribution and transmission lines shall not be considered an encumbrance within the meaning of this Section.

4. A certified copy of a resolution of the Board of Directors of the Company requesting the payment to the Company of a specified amount of money.

Section 4. Issuance of Additional Bonds of Series A.

Not exceeding One million, six hundred and fifty thousand (1,650,000) Dollars principal amount of bonds of Series A may be executed by the Company, authenticated by the Trustee and delivered to or upon the written order of the President or a Vice-President of the Company for a principal amount not exceeding seventy-five (75) per centum of expenditures made or liabilities incurred for the purposes set forth in Section 3 of this Article upon compliance by the Company with the requirements of subdivisions 1, 2, 3 and 4 of said Section 3 of this Article, with such changes or omissions as may be appropriate by reason of the fact that the application of the Company is for the authentication of bonds instead of the withdrawal of cash.

The Company at any time shall also be entitled to the authentication and delivery of all or any part of said One million, six hundred and fifty thousand (1,650,000) Dollars of Series A bonds upon receipt by the Trustee of the following:

(1) A certified copy of a resolution of the Board of Directors of the Company requesting the authentication and delivery of said Series A bonds and stating the principal amount thereof and that the same have been sold at the price therein stated;

(2) An amount of cash equal to the proceeds of the bonds requested to be authenticated, exclusive of accrued interest;

(3) The certificate provided for by Section 2 of this Article.

The total proceeds from the sale of such bonds at any time held by the Trustee under this Section shall not exceed the proceeds of Five hundred thousand (500,000) Dollars principal amount of bonds and, if such bonds shall have been sold at different prices, all of such bonds shall be deemed to have been sold at the average price per bond realized from all such sales.

The cash so deposited with the Trustee shall be paid by the Trustee to the Company for the purposes and on the basis set forth in Section 3 of this Article upon compliance by the Company with the requirements of subdivisions 1, 2, 3 and 4 of said Section 3 and, pending such payment, shall, upon request of the Company evidenced by a certified copy of a resolution of its Board of Directors, be invested as provided by Section 6 of this Article.

Section 5. Issuance of Bonds for Specified Obligations.

Bonds of any series at that time existing or then created hereunder may be issued at any time, as provided in this Section, in exchange for or for or on account of the purchase, acquisition, redemption or payment before, at or after maturity, of an equal principal amount of any bonds or notes secured by the following described mortgages or trust agreement:

(a) Three million, four thousand (3,004,000) Dollars principal amount of First Mortgage Five Per Cent. Sinking Fund Gold Bonds issued under and secured by the mortgage of the Columbia Railway, Gas & Electric Company to Knickerbocker Trust Company, as Trustee, under which mortgage the Irving Bank-Columbia Trust Company is now Trustee, dated July 1, 1911, and the indenture supplemental thereto dated January 15, 1925, which bonds are hereinafter referred to as the Columbia Bonds;

(b) Two million, seven hundred forty-five thousand (2,745,000) Dollars principal amount of First Mortgage Five Per Cent. Sinking Fund Gold Bonds issued under and secured by the mortgage of The Parr Shoals Power Company to Columbia Knickerbocker Trust Company, as Trustee, under which mortgage the Irving Bank-Columbia Trust Company is now Trustee, dated August 1, 1912, which bonds are hereinafter referred to as the Parr Shoals Bonds;

(c) Two hundred twenty-five thousand (225,000) Dollars principal amount of Thirty Year Five Per Cent. Gold Coupon Bonds issued under and secured by the mortgage of the Columbia Gas Light Company to The New York Trust Company, as Trustee, dated July 1, 1906, which bonds are hereinafter referred to as the Columbia Gas Light Bonds;

(d) Three hundred twenty-five thousand (325,000) Dollars principal amount of Ten Year Seven Per Cent. Sinking Fund Gold Notes issued under and secured by the trust agreement of the Columbia Gas Light Company to August Kohn, R. Beverly Sloan and Edward B. Cantey, as Trustees, dated May 1, 1920, which notes are hereinafter referred to as the Columbia Gas Light Notes.

Whenever (a) the Company shall pledge, or cause to be pledged, with the Trustee hereunder any of such Columbia Bonds, Parr Shoals Bonds or Columbia Gas Light Bonds or Notes, uncanceled, irrespective of whether such bonds or notes shall have been issued prior or subsequent to the date hereof, together with all unmatured coupons thereunto appertaining, or (b) the Company shall deliver to the Trustee a certificate of the trustee under the mortgage or trust agreement securing such bonds or notes stating that a certain principal amount of such bonds or notes have since February 1, 1925, been paid or redeemed and cancelled, otherwise than through any sinking fund under the mortgage or trust agreement securing such bonds, then the Trustee shall authenticate and deliver, to or upon the written order of the President or a Vice-President of the Company, bonds of any series at that time existing or then created hereunder in a principal amount equal to the principal amount of such bonds or notes so pledged or stated in such certificate to have been cancelled. In case any unmatured coupon or coupons belonging to any bond or note tendered to the Trustee for pledge, as in this Section provided, shall be missing at the time of any such tender to the Trustee, the Trustee may nevertheless accept such bond or note without such coupon or coupons in case there shall have been deposited with the trustee under the mortgage or trust agreement by which said bond or note is secured, or with the Trustee hereunder, cash sufficient for the payment of such missing coupon or coupons, or in case such bond or note shall have been called for redemption and by the provisions of the mortgage or trust agreement securing the same such missing coupons are not collectible after the date of redemption. All bonds, notes and cash received by the Trustee under the provisions of this Section shall be held by the Trustee for the further security of the holders of bonds issued under and secured by this Mortgage,