

payable, anything in this Mortgage or in said bonds contained to the contrary notwithstanding. This provision, however, is subject to the condition that if at any time after the principal of said bonds shall be so declared to be due and payable, and before any sale of the mortgaged property shall have been made, all arrears of interest upon all of said bonds, except interest accrued on all of the bonds outstanding since the last interest day, together with the charges and expenses of the Trustee, and all other indebtedness secured hereby shall have been paid in full (except the principal of all bonds which would not have become due otherwise than by such declaration), or the amount thereof shall be deposited with the Trustee for the benefit of those entitled thereto, and all other defaults under this Mortgage shall have been made good to the reasonable satisfaction of the Trustee, then and in every such case the Trustee may, and upon the written request of the holders of a majority in principal amount of the bonds secured hereby, then outstanding, shall, by written notice to the Company, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any rights consequent thereon.

Section 2. *Right of Trustee to Take Possession Upon Default.*

If one or more of the events of default specified in Section 1 of this Article shall happen, the Company, upon demand of the Trustee shall forthwith surrender to the Trustee, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to take possession of all the property hereby conveyed or transferred, or intended to be (with the books, papers and accounts of the Company), and to hold, operate and manage the same, and from time to time to make all needful repairs, and such additions, extensions, improvements and betterments as to it shall seem wise, and to receive the rents, income, issues and profits thereof, and out of the same to pay all proper costs and expenses of so taking, operating and managing the same, including reasonable compensation to the Trustee, its agents and counsel, and any charges of the Trustee hereunder, and any taxes and assessments and other charges prior to the lien of these presents which the Trustee may deem it wise to pay, and to apply the remainder of the moneys so received by it, first, to the payment of the interest installments which are due and unpaid, in the order of their maturity, at the rates prescribed in the bonds of the different series hereunder, save and except as otherwise provided with regard to extended coupons in Section 5 of Article Third of this Mortgage; and thereafter, if the principal of any of said bonds is due, to the payment of said principal and accrued interest thereon pro rata without any preference or priority whatever. Whenever all amounts due for the principal of and the interest upon said bonds, and under any of the terms of this Mortgage, shall have been paid and all defaults made good, the Trustee shall surrender possession to the Company, its successors or assigns. The same right of entry, however, shall exist upon any subsequent default.

Section 3. *Right of Trustee to Sell Upon Default.*

If one or more of the events of default specified in Section 1 of this Article shall happen, it shall be lawful for the Trustee, by such officer or agent as it may appoint, with or without entry, to sell to the highest bidder all and singular the property which then shall be held by the Trustee or in any manner shall be subject to this Mortgage, at such place or places and at such time or times as the Trustee may elect, and upon such notice as is required by Section 7 of this Article. Upon such sale the Trustee may make and deliver to the purchaser or purchasers a good and sufficient deed or deeds for the property so sold, which sale shall be a perpetual bar, both at law and in equity, against the Company, and all persons and corporations lawfully claiming, or to claim by, through or under it. Such sale, however, may be made subject to prior and underlying mortgages, if any.

Section 4. *Right of Trustee to Foreclose on Default.*

If one or more of the events of default specified in Section 1 of this Article shall happen, the Trustee shall have the right and power to take appropriate judicial proceedings for the protection and enforcement of its rights and the rights of the bondholders hereunder, and may, either after entry as hereinbefore provided, or other entry or without entry, proceed by suit, or suits at law or in equity, or by any other appropriate remedy for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or to enforce payment of the bonds hereby secured and to foreclose this Mortgage and to sell the mortgaged premises and all property covered by this Mortgage under a judgment or decree of a court or courts of competent jurisdiction, without any stay of execution, anything in the laws of South Carolina, or any other law, or any usage or custom to the contrary notwithstanding; and it shall be obligatory on the Trustee to take action either by such proceedings or by the exercise of its powers with respect to entry or sale, as it may determine, upon being requested so to do by the holders of twenty-five (25) per centum in principal amount of the bonds hereby secured and then outstanding, and upon being indemnified to its satisfaction.

Section 5. *Termination of Proceedings.*

In case the Trustee shall have proceeded to enforce any rights under this Mortgage by foreclosure, entry, sale or otherwise, and such proceedings shall have been discontinued or abandoned, or shall have been determined adversely to the Trustee, then and in every such case the Company and the Trustee shall be restored to their former respective positions and rights hereunder in respect of the property mortgaged and pledged hereunder, and all rights, remedies and powers of the Trustee and the bondholders shall continue as though no such proceeding had been taken.

Section 6. *Right to Receiver.*

If one or more of the events of default specified in Section 1 of this Article shall happen, and a bill in equity shall be filed, or any other judicial proceedings commenced to enforce any right of the Trustee or of the bondholders under this Mortgage, or otherwise, then, and as a matter of right, the Trustee shall be entitled to the appointment of a receiver of the property mortgaged and pledged hereunder, and of the earnings, income or revenue, rents, issues and profits thereof, pending such proceedings, with such powers as the court making such appointment may confer.

Section 7. *Notice of Sale.*

In case of any sale of any of the property subject to this Mortgage, whether made under the power of sale hereby granted and conferred or under or by virtue of judicial proceedings, notice of such sale shall first be given by publication in at least one daily newspaper published in the City of Columbia, State of South Carolina, at least once a week beginning on any day of the week for four (4) successive calendar weeks next preceding such sale, and by like publication in at least one daily newspaper published in the Borough of Manhattan, City of New York, State of New York, and in addition such other notice as may be required by law.

Section 8. *Adjournment of Sale.*

The Trustee may from time to time adjourn any sale to be made by it, whether made under the power of sale hereby granted and conferred or under or by virtue of judicial proceedings, by announcement at the time and place appointed for such sale or for such adjourned sale, and, without further notice or publication, except such as may be required by law, may make such sale at the time and place to which the same may be so adjourned.

Section 9. *Sale of Property as a Whole.*

In the event of any sale, whether made under the power of sale hereby granted and conferred or under or by virtue of judicial proceedings, the whole of the property mortgaged and pledged hereunder shall be sold in one lot and as an entirety, unless the holders of a majority in principal amount of the bonds then outstanding shall, in writing request the Trustee to cause said property to be sold in separate lots (in which case the sale shall be made in such lots as shall be specified in such request), or unless such sale as an entirety is impossible or impracticable by reason of some statute or otherwise.

Section 10. *Purchaser's Right to Pay in Bonds at Sale.*

A purchaser at any sale, whether made under the power of sale hereby granted and conferred, or under or by virtue of judicial proceedings, shall be entitled, in making settlement of the purchase price, to turn in and use any of the bonds secured by this Mortgage and any claim for interest then matured and unpaid, and to be credited therefor to the extent of the amount which would, upon distribution of the net proceeds of such sale, be payable thereon, subject, however, to the provisions in respect of extended coupons contained in Section 5 of Article Third of this Mortgage. Such bonds and interest obligations shall be deemed to be paid only to the extent so applied and credited. The Trustee, or any bondholder, or committee of bondholders, or any persons interested hereunder, may purchase at any such sale but the Trustee shall be under no obligation so to do and, upon compliance with the terms of sale, may hold, retain, possess and dispose of such property in their or its own absolute right without further accountability.

Section 11. *Disposition of Purchase Money.*

The purchase money, proceeds or avails of any sale of property under this Article, together with any moneys then held by the Trustee under any provisions of this Mortgage, shall be applied by the Trustee as follows: