

tees for the benefit of the Trustees and all the present and future holders of bonds issued and/or to be issued under said First Mortgage and Supplemental Indenture thereto, that the Company will, and it does hereby expressly assume and agree to pay duly and punctually the principal and interest of the Bonds issued and to be issued under the said First Mortgage of Carolina Public Service Company, dated April 1, 1922 and secured thereby, in accordance with the provisions of said bonds and coupons and said First Mortgage and agrees to perform and fulfill all the covenants and conditions of said First Mortgage and Supplemental Indenture thereto binding upon Carolina Public Service Company.

Second: Upon the execution and recording hereof, the Company shall succeed to and be substituted for said Carolina Public Service Company with the same effect as if the Company had been named in said First Mortgage and Supplemental Indenture and in said bonds and coupons in place of Carolina Public Service Company, and shall thereupon be entitled to all the benefits and rights of Carolina Public Service Company under said First Mortgage and said Supplemental Indenture thereto to the full extent permitted by Article 7 of said First Mortgage including the right to issue and to have certified and delivered to it any and all bonds not heretofore certified and delivered by the Trustees, subject to all the terms, conditions and restrictions prescribed in said First Mortgage touching the certification, delivery and issuance of bonds, provided that the lien of said First Mortgage shall be limited as provided in Section 2 of said Article 7.

Third: Neither said First Mortgage and the aforesaid Supplemental Indenture thereto nor this Indenture with the Trustees shall become or be a lien upon any of the properties or franchises of the Company except those acquired by it from Carolina Public Service Company, and the improvements, extensions or additions to or about the plant and property of the Company made and used by it as the basis for the certification and issue of additional bonds under the said First Mortgage as therein provided and such general and additional property as may be had or acquired by the Company in pursuance of the covenants contained in said First Mortgage to keep and maintain the property covered by said First Mortgage in good and business-like working order and condition, or

(Over)