

Section 1. That the Company will cause to be made an accurate survey of the lands embraced in the development known as "Lake Lanier" and furnish to the Trustee a map showing the lots and sub-divisions of Lake Lanier from which it has sold and proposes to sell and convey lots.

Section 2. The Company will furnish to the Trustee abstract of title to all lands owned by it and embraced in the sub-division known as "Lake Lanier" to which shall be attached the certificate of the Attorney for the Company.

### Article II

Section 1. The Mortgage Bonds shall be of even date herewith payable at the Wachovia Bank and Trust Company of Asheville, North Carolina, in the aggregate amount of Two Hundred and Thirty-Seven Thousand (\$237,000.00) Dollars, in the denominations and of the maturities heretofore stated.

Section 2. The Company and the Trustee may deem and treat the bearer of any Mortgage Bond secured hereby as the absolute owner of such Bond, for the purpose of receiving payment therefor, and for all other purposes; and neither the Company nor the Trustee shall be affected by any notice to the contrary.

### Article III.

Section 1. That the Trustee is authorized and empowered to deliver to the First National Company of Durham, Inc., as its agent, all notes and mortgages described in Schedule "A", and any other collateral notes and mortgages which shall be received by it subject to the terms and provisions of this Trust Agreement, for collection or settlement by compromise or otherwise, and upon the execution of the proper receipt by the First National Company of Durham, Inc., to the said Trustee, the Trustee shall not be accountable for any negligence, default or other miscarriage of the First National Company of Durham, Inc., as agent.

Section 2. That the Trustee is authorized and empowered to collect any and all

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