

## MORTGAGE OF REAL ESTATE

3776 PROVENCHER-JARRARD CO.-GREENVILLE

(b) In case any property additions are shown by the engineer's certificate provided for in Subdivision (a) of this Section to consist of an acquired system, an independent engineer's certificate stating, in the opinion of the signer, the fair value to the Company of the gross property additions consisting of such acquired system, except such as have been retired by the Company, determined as provided in Article I.

(c) In case any property additions are shown by the engineer's certificate provided for in Subdivision (a) of this Section to have been acquired or paid for in whole or in part through the issue or delivery of shares of stock or other securities, an appraiser's certificate, stating the fair value in cash of such shares of stock or other securities at the time of the issue or delivery thereof in payment for such property additions.

(d) Such instruments of conveyance, transfer and assignment as, in the opinion of counsel, may be necessary to vest in the Trustee to hold as a part of the mortgaged property all right title and interest of the Company in and to the property additions made the basis of the application, or the opinion of counsel that no such instruments are necessary for such purpose.

(e) An opinion of counsel to the effect that

(1) The Company has, or upon delivery of the instruments of conveyance, transfer or assignment, if any, specified in such opinion will have, good title to any property additions mentioned or described in the engineer's certificate provided for in Subdivision (a) of this Section (except such as have been retired), subject only to such defects therein as the Company may have power by appropriate legal proceedings to cure, or which, in the opinion of such counsel, are inconsequential;

(2) If such property additions include any right of way or easement, or any property additions located on any property with respect to which the Company has only a right of way or easement, the Company is entitled to such right of way or easement for an unlimited or indeterminate or indefinite period of time or for a period extending beyond the date of maturity of any Bonds applied for and also beyond the date of maturity of all Bonds then outstanding under this Indenture;

(3) If such property additions include any property additions located, under the terms of any franchise or governmental permit, on property not owned by the Company, such permit or franchise is adequate for the operation of such property additions by the Company for an unlimited or indeterminate or indefinite period of time or for a period extending beyond the date of maturity of any Bonds applied for and also beyond the date of maturity of all Bonds then outstanding under this Indenture, and that the terms of such permit or franchise or the law under which it is held do not contain any provisions giving to any public authority the right to take over such property additions without the payment of fair consideration therefor;

(4) The Company has corporate power to own and operate such property additions;

(5) The nature and extent of the judgment liens, if any, on such property additions are correctly stated in said engineer's certificate; and

(6) The Indenture is, or upon the delivery of the instruments of conveyance, transfer or assignment, if any, specified in such opinion, will be, as lien upon all property additions described in said engineer's certificate (except such as have been retired) free and clear of any mortgage or other lien or encumbrance (except easements or similar encumbrances) prior to or pari passu with the lien of this Indenture, except specified judgment liens, if any, and permitted liens, and free and clear of any easements or similar encumbrances, except such as, in the opinion of such counsel, do not and will not impair the use of such property additions by the Company for the purposes for which they were acquired.

(f) An amount of cash equal to the aggregate of all judgment liens specified in said engineer's certificate and opinion of counsel, less the amount of all cash then held by the Trustee on account of such judgment liens, which shall be held and applied by the Trustee as part of the trust estate.

(g) The resolution, certificate, opinion of counsel and cash required by Section 3 of this