

Section 19. The Mortgagee may at any time or times in succession without notice to, or the written consent of, the Mortgagor and upon such terms as the Mortgagee may prescribe, extend the time for the payment of the indebtedness hereby secured to any subsequent grantee or assignee or transferee of the Mortgaged Property, or any person, firm or corporation who has become obligated to pay the same or any part thereof or may be affected by the lien thereby or hereunder created, and upon any such extension of time being granted the Mortgagor shall be and remain liable for the payment of said indebtedness to the same extent as though it had consented thereto, at the time in writing.

Section 20. Subject to applicable laws and regulations, the Mortgagor shall charge for its services and electric energy such rates and only ^{such} rates as shall be sufficient: (a) to pay when due said bond and the interest thereon, and all other charges and obligations under the resolutions, the Bond, or the Mortgage, for the payment of all of which the revenues of the Mortgagor are hereby pledged, including reserves therefor, and; (b) to provide for the payment of all expenses necessary to operate its system, including maintenance, operating charges, upkeep, and repairs; all reasonable overhead, legal, engineering and accounting expenses, and reasonable reserves for depreciation and working capital.

Section 21. That all moneys derived by said Mortgagor from the operation of its properties shall be deposited in one or more banks or trusts companies in a special account or accounts and each of such special accounts shall be continuously secured by a pledge of direct obligations of the United States of America or of the State of South Carolina having aggregate market value, exclusive of accrued interest, at all times at least equal to the balance on deposit in such account or accounts. Such securities shall either be deposited with said Mortgagor or held by a trustee or agents satisfactory to said Mortgagor. In lieu of any such pledge of such securities, said accounts may be secured by a surety bond or bonds, which shall be in form, sufficiency and substance satisfactory to said Mortgagor.

Section 22. Funds in any such special account may, until the happening of an Event of Default on the part of the Mortgagor, be withdrawn upon checks, orders or drafts signed by the Chairman of the Board of Directors of the Mortgagor and countersigned by the Secretary-Treasurer of said Board, for the following purposes only and in the order named:

- (a) The payment of the principal and interest and other charges and obligations under the Bond, the Resolutions and this Mortgage;
- (b) The payment of all expenses necessary to operate the properties of the Mortgagor, including operating charges, maintenance, upkeep and repairs;
- (c) Twenty-five Thousand Dollars (\$25,000.) for reserves for the foregoing;
- (d) Payment of installments on said Bond prior to maturity.

ARTICLE 11.

Remedies upon Default

Section 1. If one or more of the following events (hereinafter called "Events of Default") shall happen, that is to say:

- (a) Default shall be made in the payment of interest or of any instalment of principal on the Bond when and as the same becomes due and payable.
- (b) Default shall be made in the due observance or performance of any other of the covenants, conditions or agreements on the part of the Mortgagor, in the Bond, in the Resolutions or in this Mortgage contained and such default shall have continued for a period of thirty (30) days after written notice thereof and demand for such performance shall have been given to the Mortgagor by the holder of the Bond, or
- (c) If (1) the Mortgagor is adjudicated a bankrupt or insolvent, or makes any assignment for the benefit of its creditors, or loses its corporate charter or any of its franchises, approvals, permits, consents, easements or rights of way necessary in order to carry on any material portion of its business, or shall file any voluntary petition in bankruptcy, or shall consent to the appointment of a receiver of itself or its property, or files any petition in bankruptcy or institutes any other proceedings for reorganization; or (2) if a receiver or liquidator of the Mortgagor or any of its property is appointed, and the order appointing such receiver is not vacated within thirty (30) days after the entry thereof; or (3) if any order is made or entered provided for any plan or proceedings for the reorganization of the Mortgagor; or (4) if any final judgment is entered against the Mortgagor and not satisfied or if a stay is not duly obtained with respect thereto,

then in each and every such case the Mortgagee may by notice in writing to the Mortgagor declare all accrued interest and all unpaid principal to be due and payable immediately; and upon any such declaration all accrued interest and all unpaid principal shall become and be due and payable immediately anything contained in this Mortgage or in the Bond to the contrary notwithstanding.

Section 2. In case an Event of Default shall occur as defined in Section 1 of this Article 11, then and in each and every such case, the Mortgagee shall become entitled to the following rights and remedies:

- (a) to take immediate possession of the Mortgaged Property (except any part thereof which it is forbidden by law so to do); to collect and receive all incomes, credits, outstanding