

MORTGAGE OF REAL ESTATE

37276 PROVINCE-JARLAND CO.-GREENVILLE

were retired in order to comply with the provisions of section 7.10 hereof;

(2) stating that theretofore no bonds have been authenticated or cash withdrawn or credit taken under any provision of this indenture or of any indenture supplemental hereto on account of the acquisition, redemption or payment of such bonds;

(3) stating the aggregate amount of the underlying bonds of the issue of which those desired to be refunded are a part outstanding at the time of the acquisition by the Company of the properties on which the same constitute a lien, the amount theretofore refunded and then desired to be refunded through the operation of this section, the aggregate amount of such bonds retired by other means, and the aggregate amount of such bonds remaining outstanding;

(4) setting forth in reasonable detail each lien accrued or created or imposed, subsequent to July 1, 1936, upon any property at the time constituting any part of the mortgaged property, or in the case of property acquired subsequent to July 1, 1936, accrued or created or imposed at the time of or subsequent to the acquisition thereof, and remaining undischarged, other than current taxes and assessments and the lien hereof; and

(5) If the bonds, authentication whereof is then requested, shall provide for the payment of interest thereon at a rate in excess of the rate borne by any underlying bonds or bonds theretofore issued hereunder then to be refunded and any of such bonds then to be refunded shall be expressed to mature more than three (3) years subsequent to the date of the bonds, authentication whereof is then requested

(aa) setting forth in reasonable detail (a) the gross earnings derived from the operation of the mortgaged property during a period of twelve (12) consecutive calendar months ending not more than ninety (90) days preceding the filing of such certificate, including in such gross earnings the earnings during such period from the operation of any property acquired as an entirety or substantially as an entirety and constituted a part of the mortgaged property during such period notwithstanding that such earnings or any part thereof accrued to prior owners of such property, (b) the gross non-operating earnings of the Company, for the same period, and (c) the aggregate of such operating earnings, together with such part of such non-operating earnings as shall not exceed seven and one-half per cent (7½%) of such operating earnings, such aggregate being hereinafter in this section referred to as the "available gross earnings";

(bb) setting forth in reasonable detail the gross operating expenses of the Company during the period covered by the aforesaid statement in respect of gross earnings, including all administration and overhead expense, all taxes (other than income taxes levied under any present or future state or federal law), insurance, rentals, the actual expenditures and charges made for the maintenance and repair of properties, and depreciation charges responsive to the provisions hereof and including also proper operating expenses incident to any property newly acquired, for the full period aforesaid;

(cc) setting forth the net amount remaining after deducting from the available gross earnings of the Company as stated in such certificate the aggregate of the gross operating expenses as so stated, such net amount being hereinafter in this section referred to as the "net earnings of the Company";

(dd) setting forth in reasonable detail the annual aggregate interest charge on all bonds outstanding hereunder, on bonds authentication whereof is then applied for and on all underlying bonds (exclusive of the bonds, whether underlying or issued hereunder, then to be refunded), and the total of such interest charges, such total sum being hereinafter in this section referred to as the "annual bond interest charge."

(6) stating that no default exists in respect of any of the covenants, agreements or provisions of this indenture or of any underlying mortgage;

(g) A receipt or other evidence satisfactory to the Trustee establishing the payment of any recording or other tax required by law to be paid in connection with the issuance of such additional bonds or for the effectiveness of the lien of this indenture for the security thereof, together with an opinion of counsel to the effect that the taxes paid constitute all taxes of any nature aforesaid, or, in the alternative, an opinion of counsel to the effect that payment of no such tax is requisite in this connection or for the purposes aforesaid;

(h) If any of the bonds to be refunded are underlying bonds, an opinion of counsel to the effect that good and valid title has been acquired by the Company to the property which is subject to the mortgage securing such underlying bonds, subject only to the lien of such underlying mortgage, to the lien hereof and to other liens or charges in such opinion described in reasonable detail and that in the opinion of such counsel such other liens and charges do not within the purview of this indenture materially impair the security hereby afforded; authenticate and deliver the same to or upon the order of the president of the Company; provided, however, that, if the bonds authentication whereof is then requested shall provide for the payment of interest thereon at a rate in excess of the rate borne by any underlying bonds or bonds theretofore issued hereunder then to be refunded and any of such bonds then to be refunded shall be expressed to mature more than three (3) years subsequent to the date of the bonds authentication whereof is then requested, such bonds shall not be authenticated and delivered unless it shall appear from division (5) of the pertinent certificate responsive to subparagraph (f) of this section that