

MORTGAGE OF REAL ESTATE

37276 PROVINCIAL-LANARK CO.-GREENVILLE

the books of the Trustee, and thereupon the principal shall be payable to the registered holder. Any bond so registered shall be transferable only on the books of the Trustee on presentation of said bond property signed by the registered holder in person or by his proxy duly authorized and noted on the bond, but the same may be discharged from registry by being in like manner transferred to bearer, after which it may be transferable by delivery; but such bond may again from time to time be registered or transferred to bearer as before. Such registry shall not affect the negotiability of the coupons belonging to the bond, and every such coupon shall continue to pass by delivery and shall remain payable to bearer.

Section 6. If any bond issued hereunder shall be lost, mutilated or destroyed, the Corporation may issue a new bond of like tenor and date, bearing the same number, and the officers of the Corporation for the time being may sign, and the Trustee may certify said bond for delivery in exchange or in lieu of the bond so lost, mutilated or destroyed, on proof by affidavit of such loss, mutilation or destruction, satisfactory to the Corporation and to the Trustee, and upon receipt also of indemnity satisfactory to them, and upon surrender and cancellation of such bond, if mutilated; and the Corporation and the Trustee shall have the right to require and demand such security as a condition precedent to the recognition, establishment or payment of any bond or coupon, the loss, mutilation or destruction of which may be established under any procedure or action authorized by any law of the State of South Carolina, whether such law does or does not provide for such indemnity.

ARTICLE III.

REDEMPTION OF BONDS.

Section 1. At any interest date, beginning with the 1st of July 1940, provided no default exists hereunder, the corporation may at its option, expressed by resolution of its Board of Directors, redeem or retire all or any part of the bonds at the time issued and outstanding and secured hereunder upon payment of the principal amount so to be redeemed, with interest accrued at the date of redemption, Provided the Corporation shall have given prior notice by publication in some newspaper of general circulation in Greenville, S. C., once a week for four (4) consecutive weeks prior to the date fixed for redemption, specifying the date for such redemption and stating that the interest on bonds to be redeemed shall cease upon such date. A like written notice shall be mailed by the Corporation to the holders of the bonds registered as to principal, if there be any so registered, at their last address appearing on the bond register of the Corporation, not less than thirty (30) days prior to said date.

Notice of intention to redeem having been so given and the Corporation having deposited with the Trustee on or before the date of redemption, the full amount of principal and interest to satisfy and pay the bonds so designated for redemption, the bonds specified in said notice shall on the day designated for redemption become due and payable at the office of the Trustee. From and after the said date of redemption, no further interest shall accrue upon any of the bonds so redeemed; and anything in said bonds or in such coupons or in this Second Mortgage to the contrary notwithstanding, all unmatured coupons for interest thereon shall be and become null and void, and said bonds and unmatured coupons shall cease to be entitled to any benefit of this Second Mortgage, except that the holders of said bonds shall be entitled to receive payment of the redemption price upon presentation on and after that date of the bonds and unmatured coupons. All bonds and coupons redeemed and paid hereunder shall be delivered by the Corporation to the Trustee and shall be forthwith cancelled and a certificate of destruction shall be made by the Trustee and delivered to the Corporation.

In the case of redemption of a part only of said bonds, the particular bonds to be redeemed shall be selected by the Trustee by lot.

ARTICLE IV.

PARTICULAR COVENANTS BY THE CORPORATION.

Section 1. The Corporation covenants that it shall and will duly and punctually pay, or cause to be paid, to every holder of any bond issued hereunder and hereby secured, the principal of said bonds and the interest accruing thereon, in lawful money of the United States of America, at the date and places and in the manner mentioned in said bonds, or in the coupons thereto appertaining, according to the true intent, tenor and effect of said bonds and coupons and of this Indenture, without deduction for any tax or taxes which the Corporation may be required to pay thereon under or by reason of any present or future law, national, state or municipal, or other taxing authority, the said Corporation hereby agreeing to pay all such taxes, assessments or charges; but this provision shall not apply to any inheritance or succession taxes, or to income taxes.

Section 2. The Corporation covenants that it will, from time to time, punctually and duly pay and discharge all taxes, assessments, and charges lawfully imposed upon the hereby mortgaged premises, or upon any part thereof, or upon the income therefrom, or its right to do business as, or be a Corporation, or upon the interest of the Trustee hereunder, and will duly observe and conform to all valid requirements of any governmental authority relative to any of the rights or property at any time covered or affected hereby, and it will not create, or suffer to be created, any mechanics', laborers' or other liens or charges whatsoever upon the premises mortgaged hereby, or upon any part thereof prior to the lien of these presents, with the exception of a First Mortgage