

MORTGAGE OF REAL ESTATE

37276 PROVENOR-JANARD CO.-GREENVILLE

requested by the holders of not less than twenty-five per centum (25%) in principal amount of the bonds at the time outstanding, such reports shall be audited and certified by independent public accountants satisfactory to such bondholder or bondholders.

Section 20. The Mortgagor from time to time upon written demand of the holder or holders of not less than a majority in principal amount of the bonds at the time outstanding will make, execute, acknowledge, and deliver or cause to be made, executed, acknowledged, and delivered all such further and supplemental instruments, mortgages, and conveyances and will take or cause to be taken all such further action as may be reasonable requested by such bondholders to effectuate the intention of these presents and to provide for the security and payment of the principal of and interest on any of the bonds and to better secure, convey, and confirm unto the Mortgagee the Mortgaged Property by the Mortgagee and this Indenture conveyed and transferred or intended so to be, whether now owned by the Mortgagor or hereafter acquired by it. The electric transmission and distribution lines or systems to be constructed by the Mortgagor, described in the granting clauses of this Indenture, and all appurtenances thereof or thereto, shall immediately upon the construction or acquisition thereof, without any further conveyance or assignment, become and be subject to the lien of the Amended ^{mortgage} as fully and completely as though now erected and owned by the Mortgagor.

Section 21. The Mortgagor will cause this Indenture and any and all supplemental mortgages, and every additional instrument, which shall be executed pursuant to the foregoing provisions forthwith upon execution to be recorded and filed and rerecorded and refiled as conveyances and mortgages of real and/or personal property in such manner and in such places as may be required by law in order fully to preserve the security for the bonds, and to perfect and maintain the superior lien of the Amended Mortgage and all supplemental mortgages, and the rights and remedies of the Mortgagee and the bondholders.

Section 22. Any bondholder may at any time or times in succession without notice to, or the written consent of, the Mortgagor and upon such terms as the bondholder may prescribe, grant an extension of the time for the payment of the principal of and interest on any bond held by or indebtedness owned to such bondholder secured to any subsequent grantee or assignee or transferee of the Mortgaged Property, or any person, firm, or corporation who shall have become obligated to pay the same or any part thereof or may be affected by the lien hereby or hereunder created, and after any such extension of time the Mortgagor will be and remain liable for the payment of said indebtedness to the same extent as though it had at the time of such extension consented thereto in writing.

Section 23. The Mortgagor, subject to applicable laws and the rules and orders of regulatory bodies, will charge for its services and electric energy such rates as shall be sufficient to meet all expense necessary to operate its system, including taxes, all principal of and interest on the bonds and all other payments and obligations under the Amended Mortgage; maintenance, cost of electric energy and other operating expenses; and a reasonable reserve for working capital.

Section 24. In the event that the Mortgaged Property, or any part thereof, shall be taken under the power of eminent domain or by condemnation, all proceeds and avails therefrom to the extent of the indebtedness then secured hereby, except to the extent that all bondholders shall consent to other use and application thereof by the Mortgagor, shall forthwith be applied by the Mortgagor; first, to the ratable payment of indebtedness by the Amended Mortgage, secured, other than principal of or interest on the bonds; second, to the ratable payment of interest on the bonds which shall have become due and be unpaid; and third, to the ratable payment or reduction of the unpaid principal of the bonds.

Section 25. If the Mortgagor shall make any payment on account of the matured and unpaid principal of and interest on, or interest on, any bond, it shall at the same time make a payment on account of the matured and unpaid principal of and interest on, or interest on, as the case may be, all bonds, and shall pay to the holder of each bond an amount which shall bear the same ratio to the total amount to be paid at such time for such purpose on all bonds as the matured and unpaid principal of and interest on, or interest on, as the case may be, such bond shall then bear to the aggregate matured and unpaid principal of and interest on, or interest on, all bonds on such date. If the Mortgagor shall make any payment on account of the principal of any bond in excess of the periodic payments required to be made by the terms thereof, it shall at the same time make similar payments on account of the principal of all bonds which shall be then outstanding and the payment on account of the principal of each bond shall bear the same ratio to the total amount intended to be paid at such time for such purpose on all bonds as the unmatured and unpaid principal of such bond shall bear to the aggregate unmatured and unpaid principal of all bonds then outstanding.

Section 26. It is hereby declared to be the intention of the Mortgagor and the Mortgagee that the electric transmission and distribution lines or systems embraced in the Mortgaged Property, including, without limitation, all rights of way and easements granted or given to the Mortgagor or obtained by it to use real property in connection with the construction