

MORTGAGE OF REAL ESTATE

WALKER, EVANS & COSEWELL CO., CHARLESTON, S. C. 14888-8-12-40

proceeds of the loan evidenced by the First Note pursuant to a certain loan contract (hereinafter called the " Loan Contract") between the Corporation and the Government, dated as of December 4, 1940, and to be located in the Counties of Anderson, Greenville, Oconee and Pickens, and in the counties contiguous thereto, in the State of South Carolina, and in and to all extensions and improvements thereof and additions thereto, including all substations, service and connecting lines, poles, posts, cross arms, wires, cables, conduits, mains, pipes, tubes, transformers, insulators, meters, electrical connections, lamps, fuses, junction boxes, fixtures, appliances, machinery, tools, supplies, switching and other equipment, trucks and automobiles, and any and all other property of every nature and description, used or acquired for use by the Corporation in connection therewith; and also all right, title, and interest of the Corporation in and to any and all other electric transmission and distribution lines or systems and electric generating plants at any time or times hereafter constructed, or acquired by the Corporation, and all extensions and improvements thereof and additions thereto, together with any and all other property of every nature and description used or acquired for use by the Corporation in connection therewith, wherever located in the above-mentioned State, including, without limitation, all property of the classes hereinabove listed:

II

All right, title and interest of the Corporation in, to, and under any and all grants, privileges, rights of way and easements now owned, held, leased, enjoyed, or exercised, or which shall hereafter be owned, held, leased, acquired, enjoyed, or exercised by the Corporation for the purpose of and in connection with the construction or operation by or on behalf of the Corporation of electric transmission or distribution lines or systems, whether underground or overhead or otherwise, wherever located in the above-mentioned State;

III

All right, title, and interest of the Corporation in, to, and under any and all licenses, franchises, ordinances, privileges, and permits heretofore granted, issued, or executed, or which may hereafter be granted, issued, or executed to it or to its assignors by United States of America or by any state, or by any county, township, municipality, village, or other political subdivision thereof, or by any agency, board, commission, or department of any of the foregoing, authorizing the construction, acquisition, or operation of electric transmission or distribution lines or systems, or electric generating plants in the above-mentioned State, in so far as the same may by law be assigned, granted, bargained, sold, conveyed, transferred, or pledged:

IV

All right, title, and interest of the Corporation in, to, and under any and all contracts now or hereafter executed by and between the Corporation and any person, firm or corporation providing for the purchase or exchange of electric energy by the Corporation;

V

Also, all right, title and interest of the Corporation in and to all other property, real or personal, tangible or intangible, of every kind, nature, and description, and wheresoever situate, now owned or hereafter acquired by the Corporation, it being the intention hereof that all such property acquired or held by the Corporation after the date hereof shall be as fully embraced within and subjected to the lien hereof as if the same were now owned by the Corporation and were specifically described herein, to the extent only, however, that the subjection of such property to the lien hereof shall not be contrary to law;

VI

Together with all rents, income, revenues, profits, and benefits at any time derived, received or had from any and all of the above-described property of the Corporation. or successors

TO HAVE AND TO HOLD all and singular the Trust Estate unto the Trustee, its successors in the trust hereby created, and its and their assigns, forever.

IN TRUST, NEVERTHELESS, for the equal and proportionate use, benefit, and security of all and singular the person or persons, or body or bodies politic or corporate, who or which shall from time to time be the holders of notes, and to secure the payment of the principal of and interest on the notes, according to their tenor and effect, without preference, priority, or distinction as to lien or otherwise of any note over any other note by reason of the priority in time of the execution, delivery, or maturity thereof, or the assignment or negotiation thereof, and to secure the performance of the covenants, agreements, and provisions herein contained, and for the uses and purposes and upon the terms, conditions, provisos, and agreements hereinafter expressed and declared.

ARTICLE I

Additional Notes

Section 1: The Corporation, when authorized by resolution or resolutions of its board of