

and Thirty-eight Thousand Dollars (\$38,000.00) in principal amount mature on June 1, 1950, on June 1, 1952, and on June 1, 1954. The Debentures in the denomination of Five Hundred Dollars (\$500.00) each are numbered serially from D-1 to D-150 inclusive; Thirteen Thousand Dollars (\$13,000.00) in principal amount mature on June 1, 1949, on June 1, 1951 and on June 1, 1953, and Twelve Thousand Dollars (\$12,000.00) in principal amount mature on June 1, 1950, on June 1, 1952 and on June 1, 1954. The Debentures of all maturities bear interest at the rate of 5½% per annum from June 1, 1948. All of said Debentures are issued or are to be issued under and equally entitled to the benefits of an Indenture (hereinafter called the "Indenture"), dated June 1, 1948, between the Company and The South Carolina National Bank of Charleston, as Trustee (hereinafter called the "Trustee"), to which reference is hereby made for a statement of the rights thereunder of the holders of the Debentures and coupons of the Company.

At the option of the Company, and subject to the paramount right of conversion as hereinafter provided, all or any part of said Debentures may be redeemed prior to maturity at any time upon not less than Sixty (60) days notice, to be reckoned from the first date of publication, given by publication for four successive weeks in one newspaper of general circulation published in the City of Greenville, South Carolina, and in one newspaper of general circulation published in the City of Columbia, South Carolina, as is provided in said Indenture, at the principal amount and accrued interest to the date of redemption, together with a premium equal to two (2%) percent of the par value of the Debenture if redeemed on or before June 1, 1950, and three (3%) percent of the par value of the Debenture if redeemed thereafter. The Indenture further provides that from and after the date fixed for redemption, all interest on Debentures called for redemption shall cease unless the Company shall default in the payment of the redemption price thereof.

In case an event of default, as defined in said Indenture, shall occur, the principal amount of this Debenture and of all other Debentures issued thereunder may become or be declared due and payable in the manner and with the effect and subject to the conditions provided in the Indenture.

Any time after December 1, 1950, this Debenture, if it has not already matured, and if not sooner called for redemption, is convertible at the option of the holder into the common stock of the Company, on the basis of Thirty-seven and one-half (37½) shares of the common stock for each Debenture in the denomination of Five Hundred Dollars (\$500.00), and Seventy-five (75) shares of the common stock for each Debenture in the denomination of One Thousand Dollars (\$1,000.00). Prior to December 1, 1950, the holder of any Debenture called for redemption shall be entitled, within Sixty (60) days of the date of such call, to convert the Debentures so called into the common stock of the Company on the foregoing basis. To effect conversion, the holder shall surrender this Debenture and the unmatured interest coupons to the Trustee at its office in Greenville, South Carolina. The holder shall be entitled to be paid interest by the Company up to and including the date of conversion.

No recourse shall be had for the payment of the principal or of premium, if any, or the interest on this Debenture, or for any claim based hereon, or otherwise, in respect hereof, or of the Indenture, against any incorporator, subscriber to the capital stock, stockholder, officer or director, past, present or future, as such, of the Company, or of any successor corporation, either directly or through the Company, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, such liability being by the acceptance hereof expressly waived and released and being likewise waived and released by the terms of the Indenture.

This Debenture shall not be valid for any purpose until it