

Section 2.12. So long as any of the Debentures are outstanding and unpaid, the Company will not change the capital structure of the Company without making adequate provision to protect the conversion rights of the Debenture holders.

ARTICLE THIRD

Redemption of Debentures

Section 3.01. The Debentures of this issue may be redeemed upon the basis hereinafter set forth at the option of the Company, as a whole or in part, at any time upon not less than sixty (60) days notice, to be reckoned from the first date of publication, given by publication once a week 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. The holders of the Debentures called for redemption, however, may convert the same within sixty (60) days of the date of the first publication. If less than the total issue is called, then redemption is to be by lot as determined by the Trustee. The basis for the redemption of the Debentures shall be the payment of the par value thereof plus two (2%) percent if redeemed on or before June 1, 1950, and of the par value thereof plus three (3%) percent if redeemed thereafter, plus, in each case, interest to the date of redemption. Interest shall cease to accrue from and after the date of redemption fixed in the notice.

Section 3.02. The election of the Company to redeem Debentures at any time herein provided for such redemption shall be expressed by a resolution of the Board of Directors of the Company, certified copies of which shall be delivered to the Trustee at least ninety (90) days prior to the date determined for such redemption. If all of the Debentures are to be redeemed, said resolution shall so state. If a portion only of the Debentures is so to be redeemed, said resolution shall state the aggregate principal amount of Debentures to be redeemed. Such election may be rescinded by the Company at any time prior to the first publication of the notice of redemption.

In case of a redemption in part the serial numbers of the Debentures to be redeemed shall be determined by lot. Drawings by lot for the purpose of such determination shall be made at the office of the Trustee, by or under the supervision of the Trustee, in such manner as the Trustee in its discretion may determine. Within five days after receipt of said certified copy of the resolution above mentioned, the Trustee (unless all of the Debentures then outstanding are to be redeemed) shall deliver to the Company a list setting forth the serial numbers of the Debentures to be redeemed.

The Trustee shall then cause a notice of such redemption to be published once a week during not less than four successive weeks in one daily newspaper of general circulation, printed in the English language, published in the City of Greenville, South Carolina, and in one daily newspaper of general circulation, printed in the English language, published in the City of Columbia, South Carolina, the first publication of such notice to be at least sixty (60) days before the date fixed for redemption. The Trustee shall cause a copy of such notice to be mailed at least sixty (60) days prior to the date fixed for redemption to each of the underwriters whose name appears in the Prospectus at the address therein given, but such mailing shall be solely for the convenience of the underwriters and holders of the Debentures and shall not be a condition precedent to, nor shall any defect therein or failure in connection therewith affect the validity of the redemp-