

Now, THEREFORE, THIS INDENTURE WITNESSETH:

That for and in consideration of the premises and of the sum of Ten (\$10.00) Dollars in hand paid to the party of the first part by the party of the second part, the receipt of which is hereby acknowledged, the party of the first part has granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over, warranted and confirmed, and by these presents does grant, bargain, sell, release, convey, assign, transfer, mortgage, pledge, set over, warrant and confirm unto the party of the second part, as Trustee, all of the lands, rights, easements and properties referred to and described as follows, to-wit:

PARCEL NO. 1

CLIFFSIDE STEAM PLANT

The steam electric generating plant of the Company, known as its Cliffside Steam Plant, located on Broad River in Cleveland and Rutherford Counties, N. C., consisting of four units with an installed capacity of 210,000 KW, together with the switching stations for Units 1 and 2 and for Units 3 and 4; Units 1 and 2, with an installed capacity of 80,000 KW, having been placed in operation in 1940; construction of Unit 3, with an installed capacity of 65,000 KW, having been begun in 1946, and of Unit 4, with an installed capacity of 65,000 KW, having been begun in 1947, and Units 3 and 4 having been placed in operation in 1948, being the plant described as Parcel No. 1 in Supplemental Mortgage dated January 1, 1941, from the Company to the Trustee, together with the additions to and extensions of said plant as above set out; also including land conveyed to the Company by deed of J. J. Jones and wife, dated October 16, 1945, and being referred to in paragraph 11 of Parcel No. 2 in Supplemental Mortgage of the Company to the Trustee dated September 8, 1947, EXCEPTING, HOWEVER, the railroad referred to in Supplemental Mortgage dated January 1, 1941, above mentioned, which railroad heretofore has been conveyed to Carolina, Clinchfield & Ohio Railway Company.

PARCEL NO. 2

DAN RIVER STEAM PLANT

The steam electric generating plant of the Company, known as its Dan River Steam Plant, located on Dan River in Rockingham County, N. C., which plant is now under construction, having been begun in 1948, and which plant when completed will have an installed capacity of 140,000 KW; included as and