

property now or formerly of Huguley and Guthrie; thence with the line of the said Huguley and Guthrie property S. 26-11 W. 89.5 feet to an iron pin; thence continuing with the line of the said Huguley and Guthrie property S. 63-49 E. 225 feet to the point of beginning.

This is the identical property conveyed to the mortgagor herein by deed of Charles A. Stokes, et al, dated June 4, 1960, and recorded in the R.M.C. Office for Greenville County, South Carolina, in Deed Book 656 at page 195.

It is covenanted and agreed

(1) That the mortgagor will not pay cash dividends or make any distribution, if, as a result thereof, its net worth will be reduced below \$500,000.00, or 150% of the outstanding principal balance due under the mortgage at the end of any fiscal year while this loan is in force, whichever is the lesser.

(2) That the mortgagor will not repurchase any of its outstanding stock, except with the proceeds of life insurance or as required by its now existing by-laws, without the written consent of Liberty Life Insurance Company if, as result thereof, its net worth will be reduced below \$500,000.00, or 150% of the outstanding principal balance due under this mortgage at the end of any fiscal year while this loan is in effect, whichever is the lesser.

The mortgagor will furnish to the mortgagee, within sixty (60) days after the end of each fiscal year of the mortgagor, copies of consolidated balance sheets of the mortgagor as of the end of such fiscal year and copies of consolidated statements of income and surplus of the mortgagor for such fiscal year, all in reasonable detail and certified by independent public accountants of recognized standing satisfactory to the mortgagee. Copies of interim audits of the accounts of the mortgagor made by such accountants will be furnished if and when requested by the mortgagee.

TOGETHER with all and singular the Rights, Members, Hereditaments, and Appurtenances to the said Premises belonging, or in anywise incident or appertaining.

AND IT IS COVENANTED AND AGREED by and between the parties hereto that all gas and electric fixtures, radiators, heaters, engines and machinery, boilers, ranges, elevators, and motors, bath-tubs, sinks, water-closets, basins, pipes, faucets and other plumbing and heating fixtures, mirrors, mantels, refrigerating plant and ice-boxes, cooking apparatus and appurtenances, and such other goods and chattels and personal property as are furnished by a landlord in letting or operating an unfurnished building, similar to the one herein described and referred to, which are or shall be attached to said building by nails, screws, bolts, pipe connections, masonry, or in any other manner, are and shall be deemed to be fixtures and an accession to the freehold and a part of the realty as between the parties hereto, their heirs, executors, administrators, successors and assigns, and all persons claiming by, through or under them, and shall be deemed to be a portion of the security for the indebtedness herein mentioned and to be covered by this mortgage.

TO HAVE AND TO HOLD all and singular the said Premises unto the said LIBERTY LIFE INSURANCE COMPANY, its successors and Assigns. And the mortgagor does hereby covenant to warrant and forever defend all and singular the said Premises unto the said LIBERTY LIFE INSURANCE COMPANY its successors and Assigns, from and against the said mortgagor and every person whomsoever lawfully claiming or to claim the same or any part thereof.