

provide security for the payment of the Bonds and the premium (if any) and the interest thereon. This instrument is made under and pursuant to the laws of the State of South Carolina and it is intended that the laws of said State shall govern its construction, validity and enforcement.

The Company warrants and covenants that it is lawfully seized and possessed of the above-described property and has the right to mortgage the same, that said property is unencumbered and free from liens or other defects except as herein specifically set forth, and that the Company will forever warrant and defend the title to said property unto the Trustee against the claims of all persons whomsoever.

The Company covenants and agrees that with respect to the land herein described and mortgaged (the "Project Site") and the improvements situated thereon from time to time (the "Improvements") and the machinery, equipment and other personal property herein described and mortgaged (the "Project Equipment") (the Project Site, the Improvements and the Project Equipment being herein collectively called the "Project") as follows:

1. Maintenance and Modifications of Project.

(a) The Company agrees that so long as any of the Bonds shall be outstanding and unpaid it will, at its own expense, (i) keep the Project in as reasonably safe condition as its operations shall permit, and (ii) keep the Improvements, the Project Equipment and all other improvements forming a part of the Project in good repair and in good operating condition, normal wear and tear and obsolescence excepted, making from time to time all necessary repairs thereto and renewals and replacements thereof.

(b) The Company may from time to time, in its sole discretion and at its own expense, make any additions, modifications or improvements to the Project, including installation of additional machinery, equipment, fixtures and other tangible personal property in or on the Project which it may deem desirable for business purposes. All machinery, equipment, fixtures and other tangible personal property so installed by the Company and not constituting a part of the Project shall be property in which the