

interest and principal in semi-annual installments calculated to pay and discharge the indebtedness evidenced thereby within twenty-five (25) years after the date thereof; and

WHEREAS, the Mortgagor has duly authorized and executed and has delivered to the Government and Reconstruction Finance Corporation, as mortgagees, a certain supplemental mortgage (hereinafter called the "Second Supplemental Mortgage", and the Mortgage as amended, supplemented and extended by the Indenture and further amended and supplemented by the First Supplemental Mortgage and the Second Supplemental Mortgage being hereinafter sometimes called the Amended Mortgage"), dated as of even date with the Fifth Bond, amending and supplementing the Mortgage as heretofore amended, supplemented and extended by the Indenture and as further amended and supplemented by the First Supplemental Mortgage and confirming the Mortgage, amended, supplemented and extended as aforesaid, as security for the Fifth Bond equally and ratably with the First Bond, the Second Bond, the Third Bond and the Fourth Bond, and the Second Supplemental Mortgage will be duly recorded and filed as a mortgage of real and personal property in all appropriate counties of the State of South Carolina; and

WHEREAS, all of the above described bonds evidenced loans made by the Government to the Mortgagor pursuant to loan contracts duly entered into between the Government and the Mortgagor, and the Mortgagor and the Government have entered into another certain loan contract, dated as of February 7, 1939 (hereinafter called the "Loan Contract of February 7, 1939"), with respect to the terms and conditions of an additional loan to the Mortgagor by the Government, pursuant to the Rural Electrification Act of 1936, as amended, in the amount of two hundred forty-seven thousand dollars (\$247,00) with which to construct the lines for the transmission and distribution of electric energy in rural areas more particularly described therein; and

WHEREAS, the Mortgagor has, contemporaneously with this Supplemental Mortgage, duly authorized and executed and has delivered to the Government, pursuant to the Loan Contract of February 7, 1939, and resolutions duly adopted by its Board of Directors, its additional first mortgage bond (hereinafter called the "Sixth Bond"), which is dated of even date herewith, is payable to the order of the Government, in the principal amount of two hundred forty-seven thousand dollars (\$247,000) bears interest at the rate of 2.73 per centum per annum, and provides for the accumulation of the interest accruing on the principal thereof until August 10, 1941 (hereinafter called the "accumulated interest"), and provides further that thereafter and up to and including February 10, 1943, interest on the unpaid accumulated interest and on the unpaid principal thereof shall become due and payable semi-annually on February 10 and August 10 in each year, and provides further for semi-annual payments thereafter on August 10 and February 10 in each year, commencing with August 10, 1943, to be applied first to the payment of current interest on the accumulated interest and current interest on the principal thereof, then on account of the accumulated interest and, after the payment thereof in full, to the payment on account of the principal thereof, which payments will be in amounts calculated to be sufficient to pay and discharge the principal of the Sixth Bond within twenty-five (25) years after the date thereof, at which time the unpaid principal of the Sixth Bond, if any, shall become due and payable (the First Bond, the Second Bond, the Third Bond, the Fourth Bond, the Fifth Bond and the Sixth Bond being hereinafter sometimes called the "outstanding Bonds", and the outstanding Bonds and additional renewal and substituted bonds which may from time to time be executed and delivered by the Mortgagor under and pursuant to the Amended Mortgage being hereinafter sometimes collectively called the "bonds");

AND WHEREAS, all necessary acts, things, and conditions prescribed by law have been duly performed, done, and complied with, and the Mortgagor had executed the outstanding Bonds and the Amended Mortgage and this Supplemental Mortgage in the exercise of legal powers in it vested, and all acts, things and conditions necessary to make the outstanding Bonds the valid and binding obligations of the Mortgagor and to make the Amended Mortgage as supplemented by this Supplemental Mortgage a valid and binding first mortgage equally and ratably securing the payment of the principal of and the interest on the outstanding Bonds and all additional bonds, limited as aforesaid, and all bonds which may be executed and delivered in renewal of or in substitution for the outstanding Bonds or any of the additional bonds, when and if executed and delivered, without preference, priority or distinction of any one bond over any other bond, and irrespective of the dates of the execution and delivery of the respective bonds and also securing the due performance of the covenants, agreements and provisions expressed and declared in the Amended Mortgage and this Supplemental Mortgage, have been duly performed, done, and complied with;

NOW, THEREFORE, THIS SUPPLEMENTAL MORTGAGE WITNESSETH: That the Sixth Bond has been executed and delivered by the Mortgagor to the Government as one of the additional bonds permitted to be executed and delivered pursuant to the Amended Mortgage and entitled to the security thereof as therein provided, and the Amended Mortgage, and the property thereby mortgaged and pledged, or intended so to be, are hereby confirmed as security for the payment of the principal of and interest on the Sixth Bond equally and ratably with the First Bond, the Second Bond, the Third Bond, the Fourth Bond and the Fifth Bond, and with all additional bonds and all bonds which may be from time to time executed and delivered by the Mortgagor in renewal of or substitution for bonds which from time to time shall be outstanding and secured by the Amended Mortgage, when and as the same shall be executed and delivered, all as provided and permitted in the Amended Mortgage as supplemented