



PERMIT CONDITIONS

1.0 PARTIES

1.1 SOUTH CAROLINA ELECTRIC & GAS COMPANY ("Company"), a South Carolina utility corporation, licensed by the Federal Energy Regulatory Commission ("FERC") to own and operate a hydro-electric generating project known in the files of the FERC as "Project 516" and commonly known as "Lake Murray".

1.2 "PERMITTEE", owner of a tract of land near the waters of Project 516 as described in the "Permit" of which these recitals constitute an integral part through incorporation by reference.

2.0 RECITALS

2.1 The Company owns or has flooding and/or clearing rights over all lands in Project 516 below a contour 360 feet above sea level ("360 Contour"). The Company also owns or controls some lands lying between the 360 contour and the Project Boundary Line ("PBL"), which lies above the 360 contour. The lands of the Company and interest in the lands are subject to the Federal Water Power Act, as amended from time to time, and the rules and regulations of the FERC, as amended from time to time, the terms of the Company's license from the FERC and are also subject to other governmental agencies having jurisdiction over the premises.

2.2 Permittee desires to place a structure upon the lands and interests below the 360 foot contour.

2.3 The Company agrees to grant its permission to do so subject to the terms and conditions stated herein.

3.0 TERMS AND CONDITIONS

3.1 The Permit, of which these Permit Conditions constitute a part, shall be subject to the orders, rules and regulation as may be imposed by the FERC or other governmental agencies, or as in the Company's judgement may from time to time be reasonably necessary to implement such orders, rules and regulations.

3.2 The Permittee agrees to prosecute the work authorized herein in a manner so as to minimize any degradation of water quality.

3.3 The Company shall have the right of reasonable ingress and egress across and through the Permittee's land where reasonably necessary for inspection of the encroachments. The Company shall have the right to attach an identifying marker to the encroachment and the Permittee agrees to exercise reasonable care to avoid dislodging or defacing said marker. The use of said premises by Permittee shall not endanger health, create a nuisance, or otherwise be incompatible with overall Project recreational uses.

3.4 Permittee shall keep his encroachments in good repair and shall use the same so as not to interfere with or create a nuisance to the use of Lake Murray by all other landowners or the public.

3.5 With the exception of the encroachments described in the Permit, Permittee shall not construct or maintain any other encroachments including excavation or fillings on the premises described herein without the written consent of the Company.

3.6 Provided, however, that it is one of the conditions hereof, such condition being the essence of the Permit and privilege granted therein, that the Company may revoke or modify the Permit privilege at will by mailing notice of such revocation or modifications at the last known address of the Permittee at least sixty (6) days prior to the date on which the Company wishes such revocation to be effective.

3.7 It is specifically understood and agreed that the Company shall have no obligation whatsoever to remove or to repair or to correct the encroachments described in the Permit.

3.8 The Permittee hereby expressly releases the Company from any and liability for damage or damages to the above described property or to the personal or real property of the Permittee or his family or his agents, servants, or invitees by reason of the erection, construction, operation and maintenance by the Company of a dam or dams and/or reservoir of water of any height or size and necessary spillways and/or adjuncts on the Saluda River at or near Dreher Shoals or by the doing of having done of any other act of thing in connection with the referred property in the usual and customary use and control for Company's corporate or project purposes.

3.9 The Permittee shall indemnify and save harmless the Company from all liability however arising to any and all persons whatsoever, whether for personal injuries or otherwise, by reason of the construction and/or maintenance, or unsafe of condition of any encroachments permitted hereby, and from any damage or injury resulting to any persons whomsoever from defects in or defective condition of said encroachments.

3.10 It is understood and agreed that all permission herein granted is granted only insofar as the Company has the rights to do so, and does not purport to grant any rights that might impair the rights of any other owner, lessor, or any other person or governmental entity which may have right in this or other lands.

3.11 The Terms of these Permit Conditions shall inure to the benefit of and shall be binding upon the parties, their respective heirs, assigns or successors; provided that this Permit may not be transferred to a third party without prior written permission of the Company.

3.12 If and when the Permittee desires to abandon the activity authorized herein, unless such abandonment is part of a transfer procedure by which the Permittee is transferring his interests herein to a third party, he must restore the area to a condition satisfactory to the Company.

3.13 These Permit Conditions are intended to and do constitute an integral and necessary part of the entire Permit Agreement between the parties and shall be so included by reference upon the execution by the parties of the Permit.