

shall not incur any liability or responsibility whatever in consequence of permitting or suffering the party of the first part to retain or be in possession of the Water Works, Gas and Electric Light plants, estates and premises hereby mortgaged or agreed, or intended so to be, or any part thereof, and to use and enjoy the same; nor shall the Trustee be or become responsible or liable for any destruction, deterioration, loss, injury or damage which may be done or occur to the said Water Works, Gas and Electric Light plants and estates hereby mortgaged or agreed, or intended so to be, either by the party of the first part, or its agents or servants, or by any other persons or person whomsoever; nor shall the Trustee be in any way responsible for the consequences of any breach on the part of the party of the first part of any of the covenants herein contained, nor of any act of the party of the first part, its agents or servants, nor shall the Trustee be held liable for any act, default or misconduct of any agents or persons employed by it, unless chargeable with gross negligence in the selection or continuance of their employment, nor shall such Trustee be answerable, except for its own willful default or gross misconduct; and, in case the Trustee shall go into possession of said mortgaged premises and operate the same as hereinbefore provided, it shall be indemnified out of the funds and property which shall come into its hands as aforesaid for all claims and demands against it, arising from negligence, carelessness or misconduct of its officers, agents or employees; and in all cases the Trustee shall be authorized to pay such reasonable compensation as it may deem proper to all attorneys, servants and agents whom it may reasonably employ in the management of the trust; and the Trustee shall be entitled to and shall have just compensation for all services it may render hereafter in connection with the trust, to be paid by the party of the first part as they are incurred, or out of the estate on which they are hereby made a charge; and the Trustee may resign from the trust, by notice in writing to the party of the first part and to all known bondholders, of sixty days before such resignation shall take effect, or such shorter time as may be accepted as sufficient notice, and, upon the execution and delivery, if such shall be required, of the deed of conveyance and transfer to a successor in trust.

It is expressly agreed between the parties hereto, that in case the party of the second part shall hereafter become, by law or otherwise, incapacitated to perform, or shall refuse to perform the duties herein imposed upon it, then its successor or successors shall be appointed, who shall, by such appointment, become vested with all the rights, powers and duties herein imposed upon the said party of the second part; such appointment shall be made in manner following: A meeting of the holders of the