

Covenant of mortgagor to pay bonds.

8. The mortgagor covenants with the trustee that the mortgagor will pay the principal and interest moneys specified in the bonds according to the tenor thereof respectively, and that the bonds shall each be for the principal sum of one thousand dollars payable in gold coin of the United States of present standard of weight and fineness, shall be dated June 1, 1909, and be payable on the 1st day of June 1929, and shall carry interest at the rate of five per cent per annum payable semi-annually in like gold coin and shall be substantially in the form set out in the first schedule hereto,

Certificate of trustee.

and before issue shall be certified by the trustee to be one of the bonds specified in this indenture and the holder of any bond without such certificate shall not be entitled to the benefit of any of the provisions hereof. And the aggregate principal sum secured by all of the bonds at any time or times issued under or intended to be secured by these presents shall not ^{exceed} ~~not~~ ^Λ

Limit of issue

Seven hundred and Fifty Thousand Dollars (\$750,000). And the trustee shall forthwith certify as above provided upon said bonds numbered from 1 to 500 inclusive, to the aggregate principal amount of Five Hundred Thousand Dol-

Certification of bonds for improvements.

lars (\$500,000.00), and shall forthwith deliver same to the treasurer of his said mortgagor or to ^{his} written order. And shall certify in like manner upon additional bonds to an aggregate principal amount not exceeding Two Hundred and Fifty Thousand Dollars (\$250,000.00) from time to time as authorized by votes of the board of directors of the mortgagor, but the principal amount of such additional bonds shall not exceed ninety per cent. of the value and and of actual costs to the mortgagor of extensions of and additions to the mortgagor's property which shall have been acquired by the mortgagor and vested in the trustee free of encumbrances and liens, but subject to the trusts and provisions hereof, in addition to the property now belonging to the mortgagor and repairs and renewals herein covenanted to be made, and such additional bonds shall only be issued in such amounts that the net earnings of the mortgagor for the twelve months immediately preceding applicable to the payment of interest shall have been at a rate sufficient to pay the interest on the bonds proposed to be issued in addition to all the bonds then outstanding. In certifying upon any such additional bonds the trustee may rely absolutely upon the truth of any facts stated in a resolution of the board of directors of the mortgagor and verified by the oath of the President and Treasurer of the mortgagor or such other officers as the trustee shall designate, and in the certificate of some person selected by the trustee with reasonable care and believed by it to be disinterested and competent, declaring the value for the purposes of the mortgagor and the actual cost to the mortgagor of the property and permanent improvements in respect of which such additional bonds are to be issued and certifying that the net earnings for the twelve months immediately preceding shall have been at a rate sufficient to pay the interest on the bonds proposed to be

Protection of the trustee