

upon it. From and after the purchase date when any bonds are called for purchased as aforesaid the moneys deposited by the Company for the purchase thereof shall be held by the Corporate Trustee upon a special trust for the purchase of such bonds in the manner specified at par, together with accrued interest to such purchase date and a premium of two and one-half (2½) per cent. on the principal thereof. All bonds and coupons delivered to the Corporate Trustee for the account of the Company

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shall upon the written request of the Company be delivered to the Company or to its order by said Trustee. All bonds acquired by the Company under the provision of this section shall have equal force and validity with other outstanding bonds and shall be equally secured hereunder, as if they had remained in the hands of the original holders thereof, irrespective of such notice. By making any such deposit the Company shall be conclusively taken to have made the Corporate Trustee its agent for purchasing of bonds as aforesaid and to have authorized the said Trustee to disburse and dispose of said deposit as in this section provided.

Mutilated or Destroyed Bonds
 Section 7. Whenever it shall be made to appear to the Company and to the Corporate Trustee by evidence satisfactory to them respectively, that an outstanding bond hereby secured has become mutilated or has been destroyed, the Company may, at its discretion, execute for delivery, and thereupon the Corporate Trustee shall authenticate and deliver, a new bond of like tenor, amount and date in exchange and substitution for and upon cancellation of the mutilated bond, or in lieu of and in substitution for the bond so destroyed; but no new bond shall be issued in substitution for a bond supposed to have been destroyed without having been surrendered and cancelled except on receipt by the trustees and by the Company of indemnity satisfactory to them respectively. Temporary Section 8. Whenever at any time the Company shall not have ready for execution permanent engraved or lithographed coupon bonds to be issued hereunder and secured hereby the Company may execute, and upon its request, the Corporate Trustee shall authenticate and deliver in lieu of such permanent engraved or lithographed bonds, and subject to the same provisions, limitations and conditions, temporary printed or typewritten bonds without coupons, and of any denomination or denominations, but substantially in other respects of the

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purport of the coupon bonds to be issued as hereinbefore provided; and the Company covenants that permanent engraved or lithographed coupon bonds in an amount equal to the par value of all the temporary bonds that may be issued under this section will without unnecessary delay be prepared and executed by the Company and turned over to the Corporate Trustee for certification and delivery from time to time in exchange for such temporary bonds. Upon surrender to the Corporate Trustee of any such temporary bonds for exchange, the Company shall execute, and upon cancellation of such surrendered bonds the Corporate Trustee shall certify and deliver in exchange therefor, permanent engraved or lithographed coupon bonds to the par amount of the temporary bonds surrendered; and until so exchanged each of such temporary bonds shall be entitled to the same security and rights as a permanent engraved or lithographed bond issued hereunder and the interest from time to time due thereon shall be paid by the Company and endorsement thereof made upon such temporary bonds. The temporary bonds shall be exchangeable for other temporary bonds, to the like principal amount, of of the same or different denominations. Upon any such exchange of temporary bonds for engraved or lithographed bonds, or of temporary bonds for other temporary bonds, the temporary bonds surrendered for exchange shall be forthwith cancelled by the Corporate Trustee, and upon its written demand shall be delivered to the Company.

Exchangeable for permanent bonds.

Bonds exchangeable for bonds of other denominations.

Section 9. At the option of the holder or holders thereof, any bond or bonds secured hereby may, at any time before the maturity thereof (unless previously called for redemption or purchase, and then at any time before publication of the notice calling such bonds for redemption or purchase), upon presentation at the office of the Corporate Trustee in Chicago, Illinois, for surrender and cancellation, together with all unmatured interest coupons appertaining thereto, be exchanged for an equal aggregate par amount of bonds issued under

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and, secured hereby of such other denomination or denominations herein authorized as the holder or holders of the bonds so surrendered for cancellation and exchange may in writing request. All registered bonds so surrendered shall be accompanied by a written instrument of transfer in a form approved by the Corporate Trustee, executed in blank by the registered owner of such bonds. Upon the surrender for cancellation and exchange of any bond or bonds, as aforesaid, the Company covenants and agrees that it will forthwith execute and deliver to the Corporate Trustee for authentication, and delivery to the persons entitled thereto, a new bond or bonds of the denomination, and of an aggregate par amount requisite to effect the exchange, requested by the holder of the bonds so surrendered. Upon the authentication and delivery of such new bond or bonds, the said Corporate Trustee shall cancel and deliver to the Company the bond or bonds surrendered to it for exchange as aforesaid. Upon the surrender for cancellation and exchange of any bond or bonds and delivery of a new bond or bonds therefor as aforesaid, the Company at its option may require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge, and in addition thereto a sum not exceeding One Dollar for each bond so delivered in exchange.

ARTICLE II.

Section 1. One Million One Hundred and Fifty Thousand Dollars (\$1,150,000) in principal of the amount of the bonds to be secured hereby shall be forthwith executed by the Company and delivered to the Corporate Trustee for authentication. The Corporate Trustee shall thereupon authenticate such bonds and deliver the same on the written order of the President of the Company.

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Section 2. The remaining Six Hundred Thousand Dollars (\$600,000) in principal amount of the bonds authorized to be issued under and secured by this mortgage deed of Trust, (hereinafter called "escrow bonds"), may be authenticated and issued from time to time hereafter for the purposes, to the extent and in the manner as hereinafter

\$1,150,000 of bonds issuable at once.

\$600,000 of bonds issuable.