

Betterment  
Fund.

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#### ARTICLE VIII.

SECTION 1. The Company covenants and agrees that it will deposit with the Corporate Trustee in a Betterment Fund, the following amounts annually:

On January 1st, 1917 and again on January 1st 1918, a sum equal to  $\frac{1}{2}$  of 1% of the principal of the largest amount of bonds that may have been outstanding at any time during the preceding twelve months.

On January 1st 1919, a sum equal to 1% of the principal of the largest amount of bonds that may have been outstanding at any time during the preceding twelve months.

On January 1st 1920, and again on January 1st, 1921, a sum equal to 1% of the principal of the largest amount of bonds that may have been outstanding at the time during the preceding twelve months.

On January 1st 1922, and again on the 1st day of each January in the years 1923, 1924, 1925, and also on October 1st, 1925, a sum equal to 2% of the principal of the largest amount of bonds that may have been outstanding at any time during the preceding

Section 2. At the option of the Company any part of said Betterment Fund may be withdrawn to reimburse the Company (a) for an actual and reasonable cash expenditures made by it after the date of this indenture for permanent extensions to and additions thereafter acquired, or made by it to its plants, properties and equipments, including expenditures for any other electric light, power or street railway plant thereafter acquired, or constructed by the Company, provided such expenditures shall not previously have been used as a basis for the issuance of bonds under this indenture, such withdrawals to be allowed by the Corporate Trustee upon the delivery to it of a certified copy of the resolution of the Board of Directors of the Company, accompanied by the affidavit of the President or Vice-President, and the certificate of an engineer, together with the written order

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of the Company for the payment of the money in form satisfactory to the Corporate Trustee and setting forth with reasonable detail the expenditures made and the value of the property acquired, and which said resolution, affidavit or certificate,

and order shall completely protect said Corporate Trustee in allowing such withdrawal on the faith thereof; or (b) for the expenditures hereafter made by it in the purchase of bonds hereby secured at a price not exceeding par, accrued interest and a premium of two and one-half per centum (2½%) upon the principal thereof; or (c) for the expenditures hereafter made by it in the redemption of bonds hereby secured under and in accordance with the redemption provisions in said bonds and in this indenture contained. Any bonds purchased by the Company, as aforesaid, by means of moneys withdrawn from said Betterment Fund, shall be cancelled by the Corporate Trustee and returned to the Company, unless the Company shall, in writing, request the Corporate Trustee to hold the same uncanceled as a part of such fund, in which case the Corporate Trustee shall so hold the same. The Company may, from time to time, with the approval of the Corporate Trustee sell any and all of the bonds held uncanceled as a part of said fund, at a price not less than the price at which said bonds were purchased, in which case the proceeds of sale shall be held and applied as a part of such fund, in accordance with the provisions of this Article VIII. The Corporate Trustee shall allow upon all moneys held in the Betterment Fund interest at the current rate which from time to time may be paid or allowed by it to its general depositors in its banking department, such interest to be added to the Betterment Fund.

Section 3. Any money or bonds which may at any time be held in said Betterment Fund shall constitute part of the mortgaged property, and the Corporate Trustee shall not be required to permit the withdrawals of any moneys from

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said Betterment Fund when the Company shall, to the knowledge of the Corporate Trustee, be in default hereunder.

#### ARTICLE IX.

Annual audit  
required.

Section 1. The Company covenants and agrees at all times hereafter, upon the written request of the Corporate Trustee, to furnish and deliver to said Corporate Trustee, in such form as may be required by it, a statement in writing signed by its President or one of its Vice-Presidents and its Treasurer or Assistant Treasurer, showing accurately all items of its property and the financial condition of the Company and specifying its earnings and operating expenses month by month, for such period of time as may be requested.

By January 1st  
each year  
Company shall  
file with  
Corporate  
Trustee Cer-  
tificate  
showing com-  
pliances.

Section 2. The Company covenants that it will on or before the first day of January 1917, and annually thereafter furnish to the Corporate Trustee a balance sheet, and profit and loss account as of the fifteenth day of September of the preceding year, together with a complete audit of its accounts, income and expenditures made by an Auditor or Accountant selected or approved by the Corporate Trustee, and said Company covenants that it will permit such Auditor or Accountant to examine its books, accounts, records and property and investigate its affairs and make as full a report thereof to the Corporate Trustee as it may require; and such report and audit, or certified copy thereof, shall be filed with the Corporate Trustee; and the Company agrees to pay all the costs, charges and expenses of and incidental to any such examination and investigation.

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#### ARTICLE X.

Declaring  
bonds due in  
case of  
default.

SECTION 1. In case default shall be made by the Company in the payment of any interest due on any outstanding bonds hereby secured according to the tenor thereof, and such default shall continue for a period of sixty days after the same becomes due and is demanded, or in case default shall be made by the Company prior to October 1, 1925, in the due observance or performance of any other covenant, obligation, condition or requirement imposed upon it by this Mortgage Deed of Trust or by said bonds or coupons and such last mentioned default shall continue for a period of sixty days after written notice thereof to the Company from the Corporate Trustee or from any holder of any of said bonds, then and in any such case the Corporate Trustee may, and upon the written request of the holders of not less than twenty-five per cent. in amount of the bonds hereby secured and then outstanding the Corporate Trustee shall, by