

necessary funds to provide for the redemption or payment of such bonds according to the provisions of the mortgage securing such bonds, then the Trustee upon the request of the Company, shall cancel all such bonds held by it and the Company shall cause or procure the mortgage securing such bonds to be released and satisfied of record, provided, however, that in case there is any mortgage lien on such property junior to the lien of such mortgage and prior hereto, such bonds shall continue to be retained uncanceled until satisfaction of such junior mortgage.

Section 7. The words "extensions, enlargements, additions or betterments" as used in this Indenture shall be construed to mean only additional lands, minerals, oil and gas leaseholds, refineries, plants for producing gasoline, dams and hydro-electric plants and additional gas works, plants, oil and gas wells, pipe lines, gas holders, gas compressors, mains and service pipes, casings, fixtures and tools, cars, railroads, telegraph and telephone lines, rights of way and contract rights which the Company by its charter is now or may hereafter be authorized to own and operate, and additional property, rights, privileges and appurtenances used in connection with the lands, works, mines, lines, wells, refineries and plants of the Company, including additional real estate, offices, refineries and other buildings, structures and improvements purchased or constructed for corporate purposes, and all additions and extensions thereto and enlargements thereof, including equipment and machinery, apparatus and appliances for the production, mining, refining, manufacture, generation and distribution of gas, oil, gasoline, coal and other minerals and electricity.

Section 8. The Trustee shall, from time to time, upon the written order of the Company, signed in its corporate name by its President or a Vice President under its corporate seal attested by its Secretary or an Assistant Secretary, authenticate and deliver any of the bonds mentioned in Section 6 of this Article upon deposit with the Trustee by the Company of cash equal to the principal amount of the bonds so ordered to be authenticated and delivered. Such cash so deposited shall be held by the Trustee as a part of the pledged property, and whenever the Company shall have complied with all of the conditions precedent to the issue of bonds under the provisions of said Section 6 and shall have become thereby entitled to the authentication of bonds thereunder, the Trustee shall pay over to the Company a sum in cash not to exceed the principal amount of the bonds which the Company shall have become thus entitled to have authenticated.

Section 9. The Company shall not be entitled to the delivery of any bonds or the withdrawal or payment of any moneys under the provisions of this Article when the Company shall, to the knowledge of the Trustee, be in default of its covenant or agreement herein contained.

Section 10. The Trustee shall be fully protected and justified in authenticating any additional bonds or paying out any money under any of the provisions of this Article, upon receiving the written order, certified copy of resolution of the Board of Directors, and the Statement as required by Section 6 of this Article, and no duty of obligation is imposed upon the Trustee to look beyond such papers, but such Trustee may, in its discretion, require other proof of the facts upon the existence of which the authentication of bonds or payment of cash is conditioned as aforesaid.

Section 11. The Trustee shall not be in anywise responsible or answerable for the issuance, disposition or negotiation of any of the bonds which may be authenticated and delivered in accordance with the provisions of this Indenture, nor for the use or disposition of any cash paid out by said Trustee under the provisions of Section 8 of this Article nor shall it be in any way responsible or answerable for the use or disposition of any funds realized by the Company from the sale of any bonds, nor be in any way obligated to see that said funds are used in the manner or for the purpose stated in any certificate of authority or other form of authorization for the issuance of such bonds.

Section 12. Until the permanent bonds of the Company are ready for delivery, there may be issued, authenticated and delivered, in lieu of such permanent bonds, and subject to the same provisions, limitations and conditions a temporary typewritten or printed bond or bonds of any denomination, and without coupons, which shall bear upon their face the words "Temporary First Mortgage Bond exchangeable for a like amount of permanent bonds", but otherwise substantially of the purport of the bonds hereinbefore set forth. The Company covenants that permanent printed or engraved bonds to an amount equal to any temporary bond or bonds which may be issued under this section sell, upon the request of the owner of said temporary bond or bonds, be prepared and executed by the Company and delivered to the Trustee for authentication and delivery from time to time in exchange for such temporary bond or for a like amount of such temporary bonds. Upon such exchange, such temporary bond or bonds shall at once be destroyed by the Trustee, and a certificate of such destruction delivered to the Company. When and as interest is paid upon such temporary bond or bonds, the fact of such payment shall be noted thereon. Until so exchanged such temporary bond or bonds issued under this section shall be entitled to the same security and rights under this Agreement as permanent coupon bonds.

Section 13. Upon receipt by the Company and the Trustee of evidence satisfactory to them of the loss or destruction of any outstanding bond hereby secured, and of indemnity satisfactory to them, the Company may execute, and the Trustee may authenticate and deliver, a new bond of like tenor, bearing the same serial number, to be issued in lieu of such lost or destroyed bond. If any outstanding bond hereby secured shall be mutilated so as not to be a good delivery upon any exchange or under banking usages, then, upon surrender and cancellation of such bond with all coupons thereto belonging the Company shall execute, and the Trustee shall authenticate and deliver, a new bond of like tenor, bearing the same serial number, which shall be issued in lieu of such mutilated bond.

ARTICLE II.

Covenants of the Company.

Section 1. The Company covenants that it will promptly pay the principal of the bonds hereby secured at the maturity of said bonds, without deduction for any present or