

received by the Trustees on account of such loss or damage (other than the proceeds of insurance on oil, which shall be paid to the company so long as it shall not be in default under any of the provisions hereof), shall be paid out and applied from time to time as requested by the Company, upon certificates of an engineer or engineering firm satisfactory to the Corporate Trustee, to replacement of, or additions to the property destroyed or injured, or to new and additional improvements to any part of the mortgaged property; provided, however that the Company shall have furnished in addition to the proceeds of such insurance, any and all other moneys as may be required to complete such repair or replacement, or to purchase new property, and the moneys to be paid by said Trustee shall be the last moneys to be paid therefor.

In case the Company shall not elect to have the proceeds of insurance used as aforesaid in the replacement of property destroyed or injured, or in the purchase of additional property the Trustees shall, at the option of the Company and upon its written request, apply such insurance moneys, either toward the redemption of bonds as provided in Section 6 of Article I hereof, or shall apply the same to the credit of the Company, in full satisfaction and discharge (to the extent of the aggregate amount of insurance moneys received) of all payments for principal (but not for interest) then due or thereafter to become due for sinking fund requirements as provided in Section 2 of Article II hereof.

In case of any damage or loss as aforesaid, where the insurance moneys amount to less than \$1,000, they may be paid to the Company by the Trustees upon written request stating the facts concerning such loss, but without an engineers certificate.

Should the Company make default in effecting insurance as aforesaid, said Corporate Trustee may in its discretion effect such insurance, and all moneys paid by it as premiums therefor, or otherwise, together with interest thereon from the date of such payment, at the rate of 6 per cent per annum, shall be paid by the Company without demand, and shall be so much additional indebtedness secured by this Indenture and to be paid out of the proceeds of any sale hereunder if not otherwise previously paid by the Company. All said policies of insurance shall constitute and be held as collateral and additional security to the payment of the bonds and coupons secured hereby, and for any advances made hereunder, and for the fulfillment of each and all of the covenants contained in this Indenture by the Company to be kept and performed.

Section 7. The Company further covenants that it will cause Midco Gasoline Company and Midco Transportation Company to perform fully and faithfully each and all of the covenants contained in the respective mortgages securing the note of said Gasoline Company and said Transportation Company hereby pledged, to be performed by said Gasoline Company and said Transportation Company, respectively promptly at the times and in the manner therein respectively specified; that all of said notes pledged hereunder, at the time of the delivery thereof to said trustees, have been duly and validly issued, and that all evidences of indebtedness so pledged are and shall be valid obligations of the maker and issuer thereof; that each of said notes shall and will constitute a valid security according to its terms, and that the Company has absolute right and power to pledge each and all of said notes pledged hereunder, and that the same and each of them are free and clear of all liens, claims and incumbrances of every kind and nature, and that the Company is duly authorized to execute and deliver this indenture, and to deliver to the Trustees and pledge hereunder, the notes hereby pledged to the Trustees.

That the Company will do whatever may be within its power and necessary or proper from time to time to perfect, protect and preserve the lien of all bonds, notes, obligations and securities at any time pledged and deposited with, or held by the Trustees hereunder, and in case default shall be made in the payment of the principal or interest of any such notes, bonds, or other evidences of indebtedness pledged or deposited hereunder, the Company covenants and agrees to do whatever may be necessary for the protection of the securities so in default, and in such case the Trustees in their discretion may cause proper proceedings to be instituted and prosecuted in any court of competent jurisdiction, either at law or in equity, to protect and enforce their rights as the holders and owners of such securities, and in such event the Company covenants and agrees forthwith to pay to the Trustees all reasonable and necessary expenses incurred by them in enforcing any such rights, and in the event of any such action being taken by the Trustees they shall forthwith be entitled in their full and absolute discretion, to enforce any rights which they might possess as absolute owners of the securities and property pledged or deposited hereunder, and to collect all interest or income arising therefrom, and the principal thereof, and to hold and apply the same to the payment and satisfaction of the bonds hereby secured as herein set forth.

Section 8. The Company will pay to the Trustees, or to the legal holder or holders of any bonds who may expend any moneys for the purposes hereinafter mentioned, all expenses incurred by the Trustees in the execution of the trusts hereof, and any and all sums of money that shall have been paid by the Trustees, or any of the bondholders, on account of any rents, taxes, charges, assessments, insurance premiums of liens, of any kind and character, upon the trust estate, in case of any default in respect thereof on the part of the company, as aforesaid, with interest at the rate of eight per cent per annum, from the time or times of such payments respectively; and the amount of any and every such payments for rents, taxes, charges, assessments, insurance premiums, or other liens so made by the Trustees, or by any of the bondholders, with interest thereon, as aforesaid, shall become so much additional indebtedness secured by this