

Indenture, and shall be given preference in payment over any of said bonds, and shall be paid out of the proceeds of any sale of the trust estate, if not otherwise paid by the Company.

Section 9. When and as the coupons attached to the bonds secured hereby are paid, the same shall be canceled, and no purchase or sale of such coupons, or advances or loans on the same made on behalf of, or at the request of, or with the privity of the Company, and no redemption of said coupons, or any of them, by any guarantor of the payment thereof, shall be taken to keep or operate as keeping said coupons alive or in force as a lien upon the trust estate, or any part thereof, as against the holders of the bonds and coupons secured hereby.

Section 10. All property hereafter acquired by the Company, whether by purchase or in exchange for or to take the place of any property which may be released herefrom under the provisions of this Indenture, shall immediately upon its acquisition become and be subject to the lien of this Indenture, as fully as if specifically conveyed and mortgaged hereby. But the Company agrees, if requested by the Trustees, that it will convey the same to the Trustees by appropriate conveyances upon the trusts and for the purposes of this Indenture. And the Company further agrees that it will at all times on demand of the Trustees, do all acts necessary or proper to keep valid the lien hereby created or intended to be created, and will execute and deliver to the Trustees all such other and further assurances, deeds, mortgages or other instruments of writing, as the Trustees may reasonably require; or as shall be necessary for further and more perfectly assuring to and to the use of the Trustees and upon the trusts and for the purposes herein expressed, all and every part of the trust estate and for effectually vesting in the Trustees, upon the trusts and for the purposes aforesaid, all property, rights, easements, privileges and franchises hereby conveyed, or intended so to be conveyed; and that until all the trust estate, including all parts thereof that shall be hereafter acquired by the Company, shall have been so vested in the Trustees the Company shall hold the trust estate, or such parts thereof as shall not have been so vested in the Trustees, in trust for assuring the same to the Trustees, as aforesaid, and subject thereto shall hold the same upon the trusts herein declared, as if the same had been so vested and assured.

Section 11. The Company covenants that it will maintain, preserve and keep all and singular the trust estate, with all buildings, machinery, appliances equipment and other fixtures and appurtenances thereto belonging, including all property used or useful in the conduct of its business, in thorough working order and repair, and will make all needful and proper renewals, replacements and repairs, so that its business shall at all times be conducted with safety and expedition, and will continually conduct its business in an efficient manner, to the end that a high standard of physical condition and maintenance of its property and equipment shall at all times be maintained, and will diligently preserve all the rights and privileges to it granted and conferred by the laws of Oklahoma, or any other State, and will not suffer any of its rights, franchises or privileges to lapse or be forfeited.

Section 12. The Company will keep proper books of account and maintain a modern and standard accounting system and therein make or cause to be made full and true entries of all dealings and transactions of any kind relating to the plants, property, business and affairs of the Company, which said books of account shall at all reasonable times be open to the inspection of the Trustees and the Bankers; that on or before the 25th day of Each month, while any of said bonds are outstanding, it will furnish to the bankers, for the benefit of the bondholders, two copies of its monthly balance sheets and statement of earnings for the preceding calendar months, and that on or before the first days of May and November of each year it will likewise furnish to the Bankers a complete audit made by an auditor to be appointed by the Company, and approved by the Bankers, of its operations during the preceding six months period. The Trustees or their agents or representatives, may also at any time when the company shall be in default, make examination of the properties of the Company at its expense, and the Company agrees to afford to the Trustees all facilities necessary for such examination.

Section 13. The Company covenants and agrees that the proceeds from the sale of any or all of the bonds authorized to be issued hereunder shall be used, after retiring certain bonds of the Company dated May 15, 1918, and now outstanding in the principal amount of \$600,000.00, solely for the retirement of current liabilities of the Company and/or Midco Gasoline Company, or shall be held as cash on hand or in banks to the credit of the Company and/or said Midco Gasoline Company.

Section 14. The Company covenants that so long as any of the bonds secured by this Indenture shall be outstanding and unpaid, the combined quick assets of the Company and of Midco Gasoline Company, Midco Transportation Company and Midco Sales Company shall at all times be not less than an amount equal to 75 per cent of the combined total liabilities of said four companies, combining both the deferred and quick liabilities of said four companies, but excluding, however, from such combined total liabilities, all bonds of this issue outstanding and unpaid, all notes of said Gasoline Company and of said Transportation Company dated November 1, 1920 (which notes have been pledged by this Indenture as security for the payment of bonds of this issue) outstanding and unpaid, all bonds of said Transportation Company dated June 15, 1919, outstanding and unpaid, and any contingent liabilities upon Federal trade acceptances not past due which have been discounted for cash by any of said four companies for goods or merchandise sold and delivered by any of said four companies.

The words "quick assets", as herein used, shall mean and be taken to include cash on hand and in banks, good and collectible accounts receivable, notes and acceptances receivable maturing in not more than ninety days and not past due (excluding, however, any accounts bills or notes receivable of any officer, director or employee of any of said four corporations, and excluding further, any accounts, bills or notes receivable or other obligations of any other corporation directly connected with or associated with any of the above mentioned four corporations), interest but not collected, inventories carried at cost or at