

Section 8. The Company will maintain, preserve and keep all and singular the trust estate, with the fixtures and appurtenances thereto belonging, 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 at all times maintain, preserve and keep its plant and property with the apparatus, fixtures and appurtenances in like repair and working order and supplied with all necessary equipment, and will conduct its business in an efficient manner, and will diligently preserve all the rights and privileges to it granted and conferred by the laws of Kansas or any other State, and will not exercise or use or suffer any of its licenses to exercise or patents or patent rights or apparatus, or any of its rights, franchises or privileges, so as to cause them to lapse or be forfeited, so long as the same shall be necessary or convenient in carrying on its business, and will use reasonable efforts to obtain from time to time all necessary renewals and extensions of such rights, franchises and privileges and such further licenses and rights in respect to other patents, instruments, equipment and apparatus as may be necessary in the lawful operation of the business of the Company. The Company may accept and consent to any amendment or amendments of or substitute or substitutes for any of all ordinances or municipal grants or licenses now or at any time held or owned by it, and may surrender any ordinance, grant, license, right or privilege, whenever the best interests of the Company shall in its judgment require such surrender, unless thereby in the judgment of the Corporate Trustees the security afforded by this indenture will be materially impaired or endangered.

Section 9. For the purpose of refunding any series of bonds at any time outstanding hereunder at a lower rate of interest, the Company may surrender to the Corporate Trustees for cancellation all of the bonds of such series, together with all unmatured interest coupons thereto appertaining, if any, and may issue a new series of bonds and coupons hereunder, in lieu of such surrendered issue of bonds and coupons, and the Corporate Trustees shall thereupon certify and deliver to the Company such new series of bonds with unmatured interest coupons thereto appertaining, of like tenor and form in like aggregate amount, and with like date of maturity, but at a lower rate of interest. All bonds and coupons so surrendered and cancelled by the Corporate Trustees shall be returned to the Treasurer or Assistant Treasurer of the Company. In issuing bonds under this Section 9 Of Article III the Company shall not be required to furnish to furnish the certificates provided for by Section 3 of Article II hereof.

Section 10. The Company will at least once in each year cause its books and accounts to be audited by a certified public accountant or firm of accountants, and furnish a copy of each such audit to said Corporate Trustees, and to W.C. Langley & Co., and Bonbright & Co. Inc., of New York City, State of New York, provided that said firms shall be in existence, or their successors or assigns, if any.

If either of said firms of W.C. Langley & Co., or Bonbright & Co. Inc., are in existence or their successors or assigns, if any, in the business now carried on by them, whether such successors or assigns shall be individual or corporate, said W.C. Langley & Co., and Bonbright & Co. Inc., shall, through their officers or representatives, have the right from time to time and at any time not oftener than once in each year to have full access to and to examine through an engineer of its or their selection or otherwise into all the physical properties of the Company of every kind and description whatsoever and wheresoever situated, and also to examine into and to cause the books, accounts and vouchers of the Company to be examined by an accountant selected by them for the purpose and believed by them to be competent and disinterested, to ascertain the physical condition of the properties of the Company hereby mortgages, and whether the Company has complied with all the covenants contained in this indenture.

Section 11. The Company shall forthwith (unless it has done so previous to the execution and delivery of this indenture), make application to the Public Utilities Commission of the State of Kansas (or the court of Industrial Relations) for authority at once to issue not to exceed Three Million Dollars (\$3,000,000) of said bonds of Series A, and shall comply with all requirements of present or future laws of the State of Kansas prior to the issuance of bonds and shall obtain the consents required therefor, and shall cause such consents to be recorded upon its corporate records in the manner required by law, and shall cause to be delivered to the Corporate Trustees the Certificate of authority or consent or a certified copy thereof authorizing the issuance of bonds hereunder, from the Public Utilities Commission, board, body, person or official for the time being empowered by the laws of the said State of Kansas to pass upon and grant authority for the issuance of bonds by public utility corporations. Such certificate or certificates of authority or consent or a certified copy thereof, together with the affidavit of the Secretary or Assistant Secretary of the Company that the same has been obtained and recorded on the Books of the Company in the manner required by law, shall constitute a sufficient warrant, direction and justification of the Corporate Trustees for authenticating from time to time the amount of bonds so authorized to be issued, provided all other conditions relative to the issue of said bonds of Series A have been complied with, and no duty or obligation is imposed upon the Trustees, to look behind such certificate of authority or other form of authorization or investigation or examine any of the proceedings leading up to the granting of the same; nor shall the Trustees be obligated to ascertain whether or not any of the bonds have been issued in accordance with the laws of the State of Kansas.

ARTICLE IV.

CONCERNING FLEDGED SECURITIES.

Section 1. All the capital stock (except directors qualifying shares) of the Miami Valley Electric Company, an Ohio corporation, the Union City Electric Company, an Indiana