

thereof shall look for the payment of the principal of such Bond only to the fund so reserved in the hands of the corporate Trustee, and in no event to the Company or the trust estate.

Section 38. All Bonds redeemed pursuant to the provisions of Section 35 hereof and the appurtenant coupons shall be cancelled by the corporate Trustee, and shall thereafter be cremated or delivered, upon the written order of any officer of the Company.

ARTICLE NINE. PARTICULAR COVENANTS OF THE COMPANY.

The Company hereby covenants and agrees as follows:

Section 39. The Company will duly and punctually pay the principal of and interest on every Bond issued under this Indenture, on the date and at the place and in the manner specified in the Bonds or in the coupons thereto belonging, according to the true intent and meaning thereof. The interest accrued up to the date of maturity on coupon Bonds shall be payable only upon presentation and surrender of the several coupons as they respectively mature. When paid, such coupons shall forthwith be cancelled. The interest on registered Bonds without coupons shall be paid to or upon the order of the registered owners thereof.

Section 40. The Company will not, directly or indirectly, extend, or assent to the extension of the time for payment of, any coupon or claim for interest upon any Bond issued hereunder and it will not, directly or indirectly, take part in any arrangement therefor by purchasing or funding said coupons or claims or in any other manner. Neither any such coupon or claim so extended, nor any coupon or claim for interest belonging to any Bond which in any way at or after maturity shall have been transferred or pledged separate and apart from the Bond to which it belongs, shall be entitled, in case of default hereunder, to the benefit or security of this Indenture, until the prior payment in full of the principal of all Bonds issued hereunder and outstanding and of all such coupons and claims not so transferred or pledged or extended, the intention hereof being to prevent any accumulation of coupons after the maturity thereof.

Section 41. At all times, until the payment of all the Bonds, both principal and interest, the Company will cause an office or agency to be maintained in the City of Minneapolis, Minnesota, where the Bonds and coupons may be presented for payment, and notices and demands in respect of the Bonds and coupons or this Indenture may be served. The Company will from time to time give the corporate Trustee written notice of the location of such office or agency, and in case the Company shall fail to maintain such office or agency or to give the corporate Trustee written notice of the location thereof, any such presentation, notice or demand in respect of the Bonds or coupons or this Indenture may be made or given, unless other provision is expressly made herein, to or upon the corporate Trustee, and the Company hereby authorizes such presentation and demand to be made to and such notice to be served on the corporate Trustee in such event.

Section 42. The Company lawfully owns and is possessed of the property described in Granting Clause First hereof, and has full power and lawful authority to grant, bargain, sell, convey and pledge the same in the manner aforesaid.

Section 43. This Indenture is, and always will be kept, a direct lien upon the premises and property conveyed by the Granting Clauses hereof, and upon all renewals and replacements thereof, subject only to such liens as are permitted by this Indenture; and, except as otherwise herein expressly permitted, the Company will not create or suffer to be created any debt, lien or charge which would constitute a lien prior to or upon a parity with the lien of this Indenture upon the trust estate or any part thereof or upon the income thereof; and the Company will from time to time pay or cause to be paid all taxes and assessments lawfully levied or assessed upon the trust estate or upon any part thereof or upon any income therefrom, when the same shall become lawfully due and payable, and also all taxes and assessments lawfully levied or assessed upon the lien or interest of the Trustees or of the Bondholders in respect of the mortgaged property, so that the lien of this Indenture shall at all times be wholly preserved at the cost of the Company and without expense to the Trustees or the Bondholders; and the Company will not suffer any mechanics', laborers', statutory or other similar liens to remain upon the mortgaged property or any part thereof, the lien whereof might or could be held to be prior to or on a parity with the lien of this Indenture, and the Company will not suffer any other matter or thing whatsoever whereby the lien hereby created might be impaired; provided, however, that the Company shall have the right to contest, in good faith, by legal proceedings any such taxes, assessments or liens, and pending such contest may delay or defer the payment thereof, unless thereby the property will be forfeited.

Section 44. The Company will not, except as herein permitted, do or suffer any act or thing whereby the trust estate might or could be impaired, and it will at all times maintain, preserve and keep the mortgaged property and every part thereof, in good condition, repair and working order. The Company will from time to time make all needful and proper repairs, renewals, replacements, additions, betterments and improvements, so that the operations and business thereof and every part thereof shall at all times be conducted properly and advantageously; and whenever any portion of the mortgaged property shall have been worn out or destroyed or shall have become obsolete, inefficient or otherwise unfit for use, the Company will procure substitutes of at least equal value and efficiency, so that at all times the value and efficiency of the mortgaged property shall be fully maintained.

Nothing herein contained shall be held to prevent the Company from discontinuing the operation of any of its plants, works or properties, if, in the judgment of the Board of Directors of the Company, it is no longer advisable to operate the same, or if the Company intends to sell or dispose of the same and within a reasonable time shall endeavor to effectuate such sale; nor shall anything herein contained be construed to prevent the Company from taking such action with respect to the user of its plants, works and properties as is proper under the circumstances, including the cessation or omission to exercise rights, permits, licenses, privileges or franchises which, in the judgment of the Board of Directors of the Company, can no longer be profitably exercised or availed of.

In and for the calendar year 1927 and in and for each calendar year thereafter, the Company will expend and/or charge a sum at least equal to 12½% of its gross operating revenue for such year, for one or more of the following purposes:

- A. Maintenance, renewals, replacements and depreciation;
- B. Payment, redemption or other retirement, at not exceeding the prices hereinafter in this Section set forth, of refundable bonds which might be made the basis of the authentication