

as provided in and by this Indenture; that said premises and property are free from all liens and encumbrances not hereinbefore stated; and that it will warrant and defend the title thereto and the interest of the Trustees therein against all claims and demands whatsoever.

SECTION 2.--That it will duly and punctually pay the principal and interest of every Bond issued hereunder at the dates and the places and in the manner mentioned in the Bonds or in the coupons thereto appertaining, respectively, according to the true intent and meaning thereof, without deduction so far as the Bonds of the 1927 Series are concerned, for any taxes, assessments or governmental charges (other than inheritance and succession taxes) which the Company or its agents or the Trustees may be required or permitted to pay thereon or to deduct or retain therefrom under any present or future law of the United States of America or of any state, county, municipality or other taxing authority therein, except such portion of any Federal income tax with respect to income derived from such interest as shall be in excess of two per cent. per annum of such interest. The interest on the coupon Bonds shall be payable only upon presentation and surrender of the several coupons for such interest as they respectively mature, and such coupons shall be cancelled forthwith upon the payment thereof.

SECTION 3.--That upon written application the Company will also reimburse to any bearer or registered owner of any Bonds of the 1927 Series, any personal property taxes imposed by the States of Pennsylvania, California and/or Connecticut, paid in any of said States by such bearer or registered owner to the extent of four mills per annum in each of said States on each dollar of the taxable value thereof, and any securities tax of the State of Maryland, to the extent of four and one-half mills per annum in said State on each dollar of the taxable value thereof, and any income tax of the State of Massachusetts to the extent of six per cent. (6%) per annum on income derived from the interest paid thereon, which may be paid by such bearer or registered owner who is a resident of such respective State and who is subject to the payment of any such tax by reason of the ownership thereof or the deriving of income therefrom; provided that such application shall be made to the Company within sixty days after payment of any such tax, and that such application shall be accompanied by an affidavit setting forth the ownership by the applicant of Bonds, together with the number or numbers thereof, the residence of the applicant at the time said tax was paid by him and that such tax was paid by him because of the ownership by him of such Bonds, or the deriving of income therefrom; provided further that the Company shall in no event be liable to reimburse such bearer or registered owner for any interest accrued or penalty imposed and paid in addition to the amount of said tax as originally assessed.

SECTION 4.--That in order to prevent any accumulation of coupons after maturity, the Company will not, directly or indirectly, extend or assent to the extension of the time for payment of any coupon appertaining to any Bond; and the Company will not, directly or indirectly, be a party to or approve any such extension by purchasing or funding said coupons, or in any other manner. In case the time for the payment of any such coupons shall be so extended, whether or not such extension be by, or with the consent of, the Company, such coupons shall not be entitled, in case of default hereunder, to the benefit of the security of this Indenture, except subject to the prior payment in full of the principal and interest of all the Bonds then outstanding, and of all coupons appertaining to such Bonds, the payment of which shall not have been so extended.

SECTION 5.--That at all times until the payment of the principal of the Bonds, the Company will maintain an office or agency, in the Borough of Manhattan in the City and State of New York, and so long as any Bonds of the 1927 Series are outstanding an office or agency in the City of Chicago in the State of Illinois, where the Bonds and coupons may be presented for payment of interest and where notices or demands in respect of the Bonds and coupons or of this Indenture may be served. From time to time the Company will give notice to the Central Company of the location of any such office or agency which it has covenanted to maintain or of any change of location thereof. In case the Company shall fail to maintain any such office or agency or shall fail to give notice of the location thereof or of any change of location thereof, as herein covenanted, presentation and demand may be made and notices may be served at the principal office of the Central Company in the Borough of Manhattan in the City and State of New York, but the Central Company shall be under no liability to the Company or to any other corporation, firm or person in respect of any such presentation, demand or notice. At such office or agency, in the City of New York, the Company will register, transfer and exchange any of the Bonds as by their terms and the terms of this Indenture or any supplemental indenture required.

SECTION 6.--That the Company is duly authorized under the laws of the State of Delaware and all other applicable provisions of law to create and issue the Bonds and to execute this Indenture and to mortgage and pledge the property conveyed by it hereunder; that all corporate action on its part for the creation and issue of the Bonds and the execution and delivery of this Indenture has been duly and effectively taken; and that the Bonds in the hands of holders in due course thereof are and will be valid and enforceable obligations of the Company in accordance with their terms.

SECTION 7.--That it will duly pay and discharge, as the same shall become due and payable, all real estate and personal property taxes, water rates, assessments and governmental and other charges lawfully levied and imposed by the United States of America or by any State, county or municipality upon the mortgaged premises, including the franchisees, earnings and business of the Company, as well as all lawful claims for labor, materials and supplies which, if unpaid, might by law become a lien or charge upon the trust estate or any part thereof, the lien of which would be prior to the lien hereof; and that it will not suffer any mechanic's, laborer's, statutory or other lien might or could be held to be prior to the lien of this Indenture to be created or to remain outstanding upon the property hereby mortgaged and conveyed or any part thereof or upon any after-acquired property of the Company intended to be covered hereby; provided, however, that nothing contained in this Article shall require the Company to pay, acquire or make provision for such tax, assessment, lien or charge so long as the Company in good faith shall contest the validity thereof; and provided further that no provision of this Article, nor any other provision in this Indenture contained, shall prevent the Company from:

- (1) Creating a mortgage or other lien on property hereafter acquired to secure the payment of a part of the purchase price thereof, or
- (2) Acquiring property subject to the mortgage, lien or other encumbrance thereon existing at the time of such acquisition with or without an assumption of such mortgage, lien or encumbrance, or
- (3) Renewing or replacing any mortgages, liens or encumbrances which by the preceding clauses (1) and (2) the Company is permitted to make, or subject to which it is permitted to acquire property, or
- (4) Creating liens upon, pledging, hypothecating or otherwise encumbering or disposing of any of its assets not subject to the lien hereof to the same extent as if this Indenture had not been made.

The Company shall not and will not apply for or claim any deduction by reason of this Indenture from the taxable value of the lands and property covered or intended to be covered hereby, nor to take advantage of any law hereafter passed deducting from the value of said property for the purpose of taxation the lien of this Indenture thereon, if thereby any Bondholder or the Trustees might incur any liability for any taxes.

SECTION 8.--That the Company will at all times take or cause to be taken all such action as from time to time may be necessary to preserve the corporate existence and corporate rights and franchises of the Company, and if the corporate existence of the Company shall expire while any Bonds issued hereunder are outstanding, all such steps as may be necessary or permitted to secure the extension of such corporate existence beyond the time when the Bonds outstanding hereunder shall become due, and all such steps as may be necessary to comply with such statutes in all states and countries in which it shall do business as it shall be advised by counsel learned in the law that it or they should comply