

MORTGAGE RECORD 75

with in order fully to be authorized to conduct such business.

SECTION 9.—That it will keep all the property of a character usually insured by companies similarly situated, which is at any time covered by this Indenture, insured against loss or damage by fire, or by such other casualty and to such amount as such property is usually insured for by companies similarly situated, by reputable insurance companies, loss, if any, to be made payable to the Central Company as its interest may appear. If the total amount received by the Central Company upon all policies shall, in the case of any one loss, be less than the sum of \$250,000, the amount shall be paid forthwith to the Company by the Central Company to be used by the Company to pay for replacements of or substitutions for the injured or destroyed property, but the Central Company shall not be obliged to see to the application thereof. In all other cases the proceeds of any and all insurance on any part of the mortgaged property which may be received by the Central Company shall be held and applied by the Central Company as hereafter provided in Article VIII of this Indenture.

There shall be deposited with the Central Company, at such reasonable times as it may request and at least once a year without any such request, a detailed statement of the policies of insurance effected by the Company then outstanding and in force. In case the Central Company shall at any time notify the Company in writing that it disapproves of any insurance company in which the Company has insured any of such property, other insurance with companies satisfactory to the Central Company shall forthwith be effected by the Company.

In the event that there shall be outstanding any bonds or obligations secured by mortgages which constitute liens on any part of the properties of the Company prior to the lien hereof (as evidenced by a certificate of any trustee or mortgagee under any of said mortgages or of any counsel therefor), and a check for the amount of any loss covered by any insurance policy on any property subject to such mortgages is drawn by an insurance company payable to the order, among others, of the Central Company and the trustee or mortgagee under any of said mortgages, the Central Company shall endorse said check, without recourse, and deliver the same so endorsed to the appropriate trustee or mortgagee under any of said mortgages.

SECTION 10.—That it will at all times maintain, preserve and keep the property mortgaged hereunder, with the appurtenances and every part and parcel thereof, in thorough repair, working order and condition, and equipped with suitable machinery and appliances, and from time to time make all needful and proper repairs and renewals, so that at all times the value of the security for the Bonds issued hereunder and the efficiency of the property hereby mortgaged shall be fully preserved and maintained, and, subject to the provisions hereof, will maintain, preserve and renew all the rights, powers, privileges and franchises by it owned.

Nothing herein contained shall be construed to prevent the Company from ceasing to operate any of its plants or other property, if, in the judgment of the Company, it is advisable not to operate the same for the time being, or if the Company intends to sell or otherwise dispose of the same and within a reasonable time endeavor to effectuate such a sale; nor in any such event to prevent the Company from taking such action with respect to such plant or such other property as is proper or customary under the circumstances.

SECTION 11.—That it will at all times keep or cause to be kept proper books of record and account in which full, true and correct entry will be made of all dealings, business and affairs of the Company, including proper and complete credits to capital and property accounts covering property worn out, abandoned or sold, all in accordance with generally recognized rules and principles of accounting. That if it shall fail to comply with the provisions of this Section, the Central Company, if requested in writing by the holders of at least 10% in principal amount of the Bonds then outstanding of the 1927 Series, shall cause the books, properties and accounts of the Company to be examined by an accountant selected by the Central Company and the Company agrees to pay the expense of any such examination.

SECTION 12.—That it will, upon reasonable request, execute and deliver such further instruments and do such further acts as may be necessary or proper to carry out more effectually the purposes of this Indenture, especially to make subject to the lien hereof any property now owned or hereafter acquired by it which it is herein provided shall be subject to the lien hereof, and to transfer to any new trustee the estate, powers, instruments and funds held in trust hereunder.

SECTION 13.—That it will at any and all times upon the written request of the Central Company: (a) Permit the Central Company by its agents and attorneys to examine all books, accounts, and financial records and reports of the Company and to take copies and extracts therefrom;

(b) Furnish to the Central Company a detailed and true balance sheet showing accurately the financial condition of the Company at the close of the preceding fiscal year in the form customarily prepared by the Company and a detailed and true report showing accurately the operations of the Company for such fiscal year.

SECTION 14.—The Company will cause this Indenture and every additional instrument which shall be executed pursuant to any of the provisions hereof forthwith upon execution to be recorded and filed, and will pay any mortgage recording tax or other tax legally due upon such recording or filing, and will punctually and fully comply with the requirements of any and every mortgage recording tax law or other law effecting the due recording or filing of this Indenture or of such additional instruments, in such manner as may be necessary fully to preserve, continue and protect the security of the Bonds, the superior lien of this Indenture on the trust estate and the rights and remedies of the Trustees.

Nothing in this Section contained shall be construed as requiring the Trustees, or making it a part of the duty of the Trustees, to examine as to, or to determine the necessity for, any recording, filing, re-recording or re-filing of this Indenture or any supplemental Indenture, and the Trustees shall incur no liability whatsoever by reason of their not requiring this Indenture or any supplemental Indenture so to be recorded, filed, re-recorded, or re-filed, unless the same requested by the holders of over ten per centum in amount of the Bonds of the 1927 Series then outstanding.

SECTION 15.—That the Company, from time to time, will punctually observe and perform all of its obligations, and will pay and discharge all amounts payable, under or by virtue of any lease of property, the leasehold interest in which is or shall hereafter become the property of the Company and a part of the trust estate, and will not suffer or permit any default for which any such lease might be terminated, so that the interest of the Company in any such leasehold estate may be at all times preserved unimpaired as security for the Bonds; provided, however, that nothing contained in this Section shall require the Company to make any such payments or to observe any such obligations, so long as it shall in good faith contest its liability therefor.

SECTION 16.—That if the Company shall fail to perform any of the covenants contained in Sections 7, 9, 10, 11, 14 and 15 of this Article III, the Trustees, or either of them, or any receiver appointed hereunder, as herein provided, may make advances to perform the same in its behalf; and the Company hereby agrees to repay all sums so advanced in its behalf, on demand, with interest at six per cent. per annum after demand, and all sums so advanced with interest as aforesaid shall be secured hereby, having the benefit of the lien hereby created in priority to the indebtedness evidenced by said Bonds and coupons; but no such advance shall be deemed to relieve the Company from default hereunder unless such advance shall have been repaid as above set forth.

SECTION 17.—That the Company will not sell or otherwise dispose of any of the trust estate except as provided in Article VII hereof, nor make any lease thereof unless the same shall be expressly subject to termination by the Trustees at their option, upon the occurrence of one or more of the events specified in Section 1 of Article IX hereof, which shall continue for the time therein specified, and also be made expressly subject to termination by the purchaser of the property subject to this Indenture at any sale thereof hereunder, whether such sale be made under the power of sale hereby conferred of any judicial proceedings.