

MORTGAGE RECORD 85

the purchase by a public authority (pursuant to any right which it may then have to purchase all or substantially all of the Trust Estate) of all or substantially all of the Company's property shall be an amount less than the principal amount of all Bonds at the time outstanding hereunder, then such proceeds shall be applicable only to the purposes specified in, and in accordance with the provisions of, Section 114.

Section 61. In case the Company shall be in default hereunder (other than a default in the payment of the principal of any Bond), the Company, while in possession of the Trust Estate (other than securities and cash held by the New York Trustee or the trustee or other holder of a Prior Lien), may do any of the things enumerated in Sections 56 to 59, inclusive, if the Trustees, in their uncontrolled discretion, or the holders of at least a majority in amount of the Bonds at the time outstanding, shall in writing expressly authorize or consent to such action, in which event no certificate filed pursuant to any of said Sections need contain a statement to the effect that the Company is not in default hereunder; provided, however, that in any such case, if Trust Moneys are to be applied pursuant to Section 56, the Bonds to be designated for purchase or redemption shall be prorated, in amount, as between the Bonds of all series then outstanding, in proportion to the respective total amounts of the Bonds of each series then outstanding.

Section 62. In case the Trust Estate (other than securities and cash held by the New York Trustee or the trustee or other holder of a Prior Lien) shall be in the possession of a receiver or trustee lawfully appointed, the powers hereinbefore in this Article conferred upon the Company with respect to the withdrawal of Trust Moneys may be exercised by such receiver or trustee (subject to authorization or consent of the Trustees or Bondholders as provided in Section 61), in which case a written request signed by said receiver or trustee shall be deemed the equivalent of any Resolution of the Board or any Written Request of the Company required by any provision of this Article, and a certificate signed by such receiver or trustee shall be deemed the equivalent of any Certificate of the Company required by provision of this Indenture. If the Trustees, or either of them, shall be in possession of the Trust Estate (other than securities and cash held by the New York Trustee or the trustee or other holder of a Prior Lien) under any provision of this Indenture, then such powers may be exercised by the Trustees in their uncontrolled discretion. In case of the exercise of any such powers pursuant to this Section, if Trust Moneys are to be applied pursuant to Section 56, the Bonds to be designated for purchase or redemption shall be prorated, in amount, as between the Bonds of all series then outstanding, in proportion to the respective total amounts of the Bonds of each series then outstanding.

Section 63. All Bonds and their accompanying coupons delivered uncancelled to the New York Trustee and on the basis of which Trust Moneys are paid over, or for whose redemption or purchase Trust Moneys are applied, under this Article, when received by the New York Trustee, shall be immediately cancelled, and thereafter recreated if in coupon form or delivered to the Company in fully registered form.

Section 64. All moneys received by the New York Trustee, including any moneys received for the payment of Bonds or coupons, pursuant to any provisions of this Indenture, shall be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys, and the New York Trustee shall not be under any obligation to pay interest thereon except such, if any, as during the period it may generally allow on similar funds. Unless an Event of Default as defined in Section 105 has happened and shall be continuing to the knowledge of the New York Trustee, any interest so allowed by the New York Trustee shall be paid from time to time upon the Written Order of the Company.

ARTICLE NINE

PARTICULAR COVENANTS OF THE COMPANY

The Company hereby covenants, agrees and warrants as follows:

Section 65. The Company will duly and punctually pay the principal of and interest and premium, if any, on every Bond issued under this Indenture, on the dates and at the place and in the manner specified in the Bonds and in the coupons thereto belonging. 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. If paid by any person other than the New York Trustee, such coupons or evidence satisfactory to the New York Trustee of their cancellation shall be promptly filed with the New York Trustee. All cancelled coupons held by the New York Trustee shall be recreated or delivered, as directed by the Written Order of the Company. The interest on registered Bonds without coupons shall be paid to or upon the order of the registered owners thereof. Money deposited with the New York Trustee or with any paying agent for the purpose of paying the principal of or interest on Bonds, shall constitute a trust fund for such purpose and for no other purpose whatsoever. Every paying agent which may be appointed for the purpose of making payments of the principal of or the interest on any Bond shall be required to notify the New York Trustee promptly of any default by the Company in the payment of any such principal or interest.

Section 66. The Company will not, directly or indirectly, extend, or assent to the extension of, the time for payment of the principal of any Bond, or any coupon or claim for interest upon any Bond, and it will not, directly or indirectly, take part in any arrangement thereafter by purchasing or funding Bonds or such coupons or claims, or in any other manner. No such Bond, coupon or claim so extended, nor any coupon or claim for interest belonging to any Bond which in any way at or after its 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 not so extended and of all such coupons and claims not so extended or transferred or pledged.

Section 67. 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 New York, 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 New York 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 New York 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 New York Trustee, and the Company hereby authorizes such presentation and demand to be made to and such notice to be served on the New York Trustee in such event.

Section 71. The Company hereby does and will forever warrant and defend the title to the property described in the Granting Clauses against the claims and demands of all persons whomsoever. At the time of the enrolling and delivery of this Indenture, the Company is well seized and possessed of the real property described in Granting Clause A, subject to no mortgage, lien, charge or encumbrance, except as hereinbefore recited, and has full power and lawful authority to grant, bargain, sell, convey, assign and mortgage the said property in the manner and form aforesaid. The Company lawfully owns and is possessed of the personal property described in Granting Clause A, subject to no mortgage, pledge, lien, charge or encumbrance, except as hereinbefore recited, and has full power and lawful authority to mortgage, assign and transfer said personal property in the manner and form aforesaid.

The Company covenants and agrees as follows:

(A) That, prior to or simultaneously with the authentication and delivery of any Bonds hereunder, the Company, by proper Resolution of the Board, will call for redemption on June 1, 1940 the entire principal amount (namely, \$505,000) of First Mortgage Gold Bonds, Series "A," 5%, due December 1, 1936 (hereinafter called the "Jackson Bonds"), now outstanding under the mortgage dated December 1, 1926 and the Indenture supplemental thereto dated December 1, 1927 (hereinafter collectively called the "Jackson Mortgage") made by Jackson County Light, Heat & Power Company to Central Trust Company of