amounts shall not be payable by insurance companies, and the amounts so required to be paid to the New York Trustee (as well as the amounts of all losses permitted to be retained by the Company because not in excess of $25,000,) shall be deemed to constitute proceeds of insurance for all purposes of this Indenture.

The Company will cause all proceeds of any insurance payable directly to it under Paragraph A or B of this Section or which it is permitted to retain under Paragraph B of this Section, to be applied to repairing, restoring or replacing the Property destroyed or damaged.

Section 78. The Company will keep full and complete records and accounts showing the sale of all Bonds authenticated and delivered hereunder, and the price or prices received therefor, and the several purposes for which the proceeds thereof were expended, and the amounts of such several expenditures.

Section 79. The Company will keep proper books of record and account, in which full, true and correct entries shall be made of all dealings or transactions of or in relation to the plants, properties, business and affairs of the Company. The Company will at any and all times, upon the written request of the Trustees or the New York Trustee and at the expense of the Company, (a) permit the Trustees or the New York Trustee by their or its agents, engineers, accountants and attorneys to examine and inspect the plants and properties, books of account, and records of the Company, and will afford and procure a reasonable opportunity to make any such examination and inspection, and (b) furnish the Trustees any and all such other information as the Trustees or the New York Trustee may reasonably request, so that they may keep themselves informed as to the performance and observance by the Company of the covenants, agreements and conditions in this Indenture contained to be by it kept, observed and performed.

The Company will, within 120 days after the close of each fiscal year, beginning with the fiscal year ending in 1939, file with the New York Trustee a balance sheet and an income and surplus account of the Company, prepared by independent certified or public accountants of recognized standing, approved by the Trustee, showing, respectively, the financial condition of the Company at the close of the preceding fiscal year, and the financial operations of the Company during such fiscal year. Such balance sheet shall contain, among other things, a statement in reasonable detail of the amount of the assets and liabilities of the Company as of the close of such fiscal year, and shall bear a certificate of audit signed by said accountants. Such income and surplus account shall contain, among other things, a statement of the amount of the operating and net non-operating revenues and operating expenses (with the principal divisions thereof) of the Company during such fiscal year, and shall bear a certificate of audit signed by said accountants, and shall be accompanied by a statement of the "Net Earnings After Depreciation and Depletion" of the Company, certified by said accountants to have been prepared in accordance with the definition thereof set forth in Paragraph O of Section 24.

The Trustees shall be under no duty to institute any examination or inspection or to require the Company to furnish any statement or information, unless requested so to do by the holders of at least 25% in amount of the Bonds at the time outstanding, and unless indemnified as hereinafter provided.

The balance sheets and income and surplus accounts of the Company and letters and other information furnished to the Trustees or the New York Trustee under this Section shall at all reasonable times during business hours be open to inspection by the holders of Bonds, but, subject to the provisions of Section 87, the Trustees shall have no duty with respect to any such information furnished to them, or either of them, except to retain the same on file for such inspection.

Section 80. Except in the case of a merger, consolidation, conveyance or transfer as in Article Thirteen provided, the Company will at all times maintain its corporate existence and right to carry on business, and will duly procure all renewals and extensions thereof, and, subject to the provisions of Section 73, will use its best efforts to maintain, preserve and renew all the rights, powers, privileges, immunities, franchises and good-will owned by it. The Company will not enter into any merger or consolidation, or make any conveyance or lease of all or substantially all the Trust Estate as an entirety, unless, in connection therewith, the Company and/or the successor corporation and/or the lessee, as the case may be, shall observe and comply with the terms and conditions of Article Thirteen applicable to such transaction.

Section 81. If the Company shall fail to perform any of the covenants contained in this Article, the New York Trustee may, in its uncontrolled discretion, at any time and from time to time make advances (either) from its own funds or from moneys furnished to it for such purpose by one or more Bondholders or by any committee formed to protect the rights of Bondholders), to effect performance of such covenants by or on behalf of the Company, but the New York Trustee shall not be under any obligation so to do; and any and all moneys paid or advanced by the New York Trustee for any such purpose, together with interest thereon at the rate of 6% per annum, shall be repaid by the Company upon demand and shall be secured under this Indenture by a lien in favor of the New York Trustee upon the Trust Estate prior to the lien of the Bonds and coupons; but no such advance shall operate to relieve the Company from any default hereunder.

Section 82. So long as any Bonds of Series A shall be outstanding, the Company will not acquire, by purchase, merger or otherwise, any property subject to any lien, either existing thereon prior to such acquisition or placed thereon at the time of such acquisition, other than Prepaid Liens and Permitted Encumbrances, unless the Company shall, and the Company covenants that in case it shall propose to acquire any such property it will, prior to or simultaneously with the acquisition thereof, file with the New York Trustee the following:

A. A CERTIFICATE OF THE COMPANY, dated not more than thirty days prior to the date of which such property is to be acquired, and signed also by an Engineer selected by the Company, who may be in the employ of the Company, and who shall be approved by the New York Trustee, setting forth in substance as follows:

(1) That the Company proposes to acquire certain property which upon such acquisition will be subject to a lien other than a Prepaid Lien or Permitted Encumbrance, and giving a brief description of such property and the principal subdivisions of plant or plant addition accounts to which the cost of such property is to be charged.

(2) The nature and extent of all such liens and the principal amount of all indebtedness secured thereby which is to be outstanding upon such acquisition.

(3) Whether any part of the property described in said certificate is to be acquired by the Company in whole or in part for a consideration consisting of securities; and if so such part of such property shall be separately described, and said securities shall also be described.

(4) The Cost to the Company of such property, and also the Fair Value thereof, as of the proposed date of acquisition thereof, as appraised by said Engineer; and stating that said Cost and Fair Value has been computed and ascertained as required, with respect to Property Additions, by Paragraph B of Section 24. In the case of property of the character described in Clause (3) of this Paragraph, the portion of the Cost thereof represented by securities shall not exceed the Fair Value of such securities as shown by the Appraiser's Certificate filed with the New York Trustee pursuant to Paragraph B of this Section.

(5) That the principal amount of the indebtedness secured by liens on such property, as set forth pursuant to Clause (2) of this Paragraph, does not exceed 50% of the Cost or Fair Value of such property, whichever shall be less, as shown pursuant to Clause (4) of this Paragraph.

B. In case any part of such property is, as shown by the Certificate required by the preceding Paragraph A, to be acquired by the Company in whole or in part for a consideration consisting of securities, a CERTIFICATE, dated not more than thirty days prior to the date as of which such property is to be acquired, signed by an Appraiser appointed by the New York Trustee and approved by a Resolution of the Board, stating, in the opinion of the signer, the fair value of such securities as of the date of such Certificate.