

MORTGAGE RECORD 85

(4) An indebtedness created as the result of services rendered or premises rented; or an indebtedness created as the result of goods or securities sold in a cash transaction;

(5) The ownership of stock or other securities of a corporation organized under the provisions of section 25 (a) of the Federal Reserve Act, as amended, which is directly or indirectly a creditor of the Corporation or any other obligor upon bonds outstanding at that time under this Indenture; or

(6) The acquisition, ownership, acceptance or negotiation of any drafts, bills of exchange, acceptances, or obligations which fall within the classification of self-liquidating paper.

Definitions of Certain Terms Used in the Above Sub-section Relating to Exclusions.

As used in the above paragraphs (1) to (6) inclusive, the following terms shall have the meanings stated:

The term "security" or "securities" shall have the same meaning as the definition of the term "security" in Section 2 of the Securities Act of 1933.

The term "cash transaction" means any transaction in which full payment for goods or securities sold is made within seven (7) days after delivery of the goods or securities, in currency or in checks or in other orders drawn upon banks or bankers and payable upon demand.

The term "self-liquidating paper" means any draft, bill of exchange, acceptance or obligation which is made, drawn, negotiated or incurred by the company for the purpose of financing the purchase, possessing, manufacture, shipment, storage or sale of goods, wares or merchandise and which is secured by documents evidencing title to, possession of or a lien upon, the goods, wares or merchandise or the receivables or proceeds arising from the sale of the goods, wares or merchandise previously constituting the security, provided the security is received by a trustee simultaneously with the creation of the creditor relationship with the Corporation arising from the making, drawing, negotiating or incurring of the draft, bill of exchange, acceptance or obligation.

Section 6. Preservation of Information as to Bondholders' Lists.

The Trustee shall preserve, in as current a form as is reasonably practicable, all information as to names and addresses of the holders and registered owners of bonds furnished to it by the Corporation as provided in Section 20 of Article V or received by it in the capacity of paying agent or filed with it pursuant to Paragraph 2 of subdivision (C) of Section 8 of this Article XI; provided, however, that the Trustee may:

(1) Destroy any statement furnished to it by the Corporation as provided in Section 20 of Article V hereof upon receipt of a new statement so furnished;

(2) Destroy any information received by it as paying agent in connection with an interest payment after the date of the next succeeding interest payment, provided such information has been furnished to the Corporation before the date of such destruction; and

(3) Destroy any information filed with it by bondholders pursuant to Paragraph 2 of subdivision (C) of Section 8 of this Article XI after the passage of more than two (2) years from the date of such filing.

Section 7. Availability of Bondholders' Lists.

Within five (5) business days after the receipt by the Trustee of a written application by any three (3) or more holders or registered owners of bonds outstanding hereunder stating that the applicants desire to communicate with other holders or registered owners of such bonds with respect to their rights under the Indenture or under such bonds, and accompanied by a copy of the form of proxy or other communication which such applicants propose to transmit, and by reasonable proof that each such applicant has owned one or more bonds issued hereunder for a period of at least six (6) months preceding the date of such application, the Trustee shall, at its election, either:

(1) Afford to such applicants access to all information furnished to or received by the Trustee, as set forth in Section 6 of this Article; or

(2) Inform such applicants as to the approximate number of holders and registered owners of bonds outstanding hereunder according to the most recent information so furnished to or received by the Trustee, and as to the approximate cost of mailing to such holders and registered owners of bonds the form of proxy or other communication, if any, specified in such application.

If the Trustee shall elect not to afford to such applicants access to such information, the Trustee shall, upon written request of such applicants, mail to all such holders and registered owners of bonds issued hereunder copies of the form of proxy or other communication which is specified in such request, with reasonable promptness after a tender to the Trustee of the material to be mailed and of payment, or provision for the payment, of the reasonable expenses of such mailing, unless within five (5) days after such tender, the Trustee shall mail to such applicants and file with the Securities and Exchange Commission, together with a copy of the material to be mailed, a written statement to the effect that, in the opinion of the Trustee, such mailing would be contrary to the best interests of the holders and registered owners of bonds outstanding hereunder or would be in violation of applicable law. Such written statements shall specify the basis of such opinion. If said Commission, after opportunity for a hearing upon the objections specified in the written statement so filed, shall enter an order refusing to sustain any or such objections, or if, after the entry of an order sustaining one or more of such objections, said Commission shall find, after notice and opportunity for a hearing, that all the objections so sustained have been met, and shall enter an order so declaring, the Trustee shall mail copies of such material to all such bondholders with reasonable promptness after the entry of such order and the renewal of such tender, otherwise the Trustee shall be relieved of any obligation or duty to such applicants respecting their application.

Section 8. Reports by Trustee to Bondholders.

(A) The Trustee shall transmit to the bondholders specified hereinafter in subdivision (C) of this Section 8, within thirty (30) days after May 15, 1941, and after May 15 in each year thereafter as long as any bonds issued hereunder are outstanding, a brief report with respect to the following matters:

(1) The eligibility and qualifications of the Trustee under Section 2 of this Article XI and the eligibility and qualifications of all trustees under Section 4 of this Article XI, or in lieu thereof, if to the best of its knowledge it has continued to be eligible and qualified under such section, a written statement to such effect;

(2) The character and amount of any advances (and, if the Trustee elects, so to state, the circumstances surrounding the making thereof) made by the Trustee, which remain unpaid on the date of such report, and for the reimbursement of which it claims or may claim a lien or charge, prior to that of the bonds outstanding hereunder, on the mortgaged and pledged property or on property or funds held or collected by it as such Trustee, if such advances so remaining unpaid aggregate more than one-half of one per cent. (½ of 1%) of the principal amount of the bonds outstanding hereunder on such date;

(3) The amount, interest rate, and maturity date of all other indebtedness owing to it in its individual capacity, on the date of such report, by the Corporation or by any other obligor on any bonds issued hereunder, with a brief description of any property held as collateral security therefor, except an indebtedness based upon a creditor relationship arising in any manner described in paragraphs (2), (3), (4) or (6) of subsection (B) of Section 5 of this Article XI;

(4) The property and funds physically in its possession as Trustee on the date of such report;

(5) Any release, or release and substitution, of property subject to the lien of the Indenture (and the consideration therefor, if any) which it has not previously reported; provided, however, that to the extent that the aggregate value as shown by the release papers of any or all of such released properties does not exceed an amount equal to 1% of the principal amount of bonds then outstanding, the report need only indicate the number of such releases, the total value of property released as shown by the release papers, the aggregate amount of cash and/or purchase money obligations received and the aggregate value of property received in substitution therefor as shown by the release papers;