

MORTGAGE RECORD 85

(6) Any additional issue of bonds under this Indenture which it has not previously reported; and
 (7) Any action taken by it in the performance of its duties under the Indenture which it has not previously reported and which in its opinion materially affects the bonds outstanding at the time under this Indenture or the mortgaged and pledged property, except action in respect of a default, notice of which has been or is to be withheld by it in accordance with the authority granted for such withholding by Section 13 of this Article XI.

(B) The Trustee shall transmit to the bondholders specified hereinafter in subdivision (C) of this Section 8 within the times hereinafter specified, a brief report with respect to the following matters:

(1) The release, or release and substitution, of property subject to the lien of the Indenture (and the consideration therefor, if any) unless the Fair Value of such property as set forth in the certificate or opinion required by Section 3 of Article VII is less than ten per cent. (10%) of the principal amount of bonds outstanding hereunder at the time of such release, or such release and substitution, - such report to be so transmitted within ninety (90) days after such time; and

(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 as such since the date of the last report transmitted pursuant to the provisions of subdivision (A) of this Section 8 (or if no such report has yet been transmitted, since the date of execution of this Indenture), for the reimbursement of which it claims or may claim a lien or charge, prior to that of the bonds, on the mortgaged or pledged property or on property or funds held or collected by it as such Trustee, and which it has not previously reported pursuant to this paragraph, if such advances remaining unpaid at any time aggregate more than ten per cent. (10%) of the principal amount of bonds outstanding hereunder at such time, - such report to be so transmitted within ninety (90) days after such time.

(C) Reports pursuant to this Section 8 shall be transmitted by mail to the following:

(1) To all registered owners of bonds issued hereunder, as the names and addresses of such owners appear on the registration books of the Corporation relating to bonds issued under this Indenture;

(2) To such holders of bonds issued hereunder as have, within the period of two (2) years preceding such transmission, filed their names and addresses with the Trustee for that purpose; and

(3) Except in case of reports pursuant to subdivision (B) of this Section relating to certain advances, to all holders and registered owners of bonds issued hereunder whose names and addresses have been furnished to or received by the Trustee pursuant to the provisions of Section 20 of Article V or Sections 6 and 7 of this Article XI.

(D) A copy of each such report shall, at the time of such transmission to bondholders, be filed by the Trustee with each stock exchange upon which the bonds are listed and also with the Securities and Exchange Commission.

(E) If a separate or co-trustee is appointed pursuant to Section 3 of Article XI, the provisions of this Section 8 of Article XI which have been made specifically applicable to the Trustee shall also apply to such separate or co-trustee to the extent in accord with the rights, powers, duties and obligations conferred or imposed upon such separate or co-trustee by the supplemental indenture appointing such separate or co-trustee. Any such separate or co-trustee may, if he so elects, furnish to the Trustee all information concerning such separate or co-trustee which such separate or co-trustee is required to report, and the Trustee shall transmit and file such information, in accordance with the provisions of this Section 8 of Article XI, on behalf of such separate or co-trustee; provided, however, that the Trustee shall not be responsible for the accuracy or completeness of any such information or for the failure of any such separate or co-trustee to report or to furnish any such information. In the event that any such separate or co-trustee shall elect to furnish information to the Trustee in accordance with the provisions of this sub-section (E), the information required pursuant to subsection (A) of this Section 8 of Article XI shall be furnished to the Trustee in writing not less than fifteen (15) days before the report is required to be made, and, in the case of information required pursuant to subsection (B) of this Section 8 of Article XI, such information shall be furnished to the Trustee in writing within sixty (60) days after the taking by any such separate or co-trustee of any action required to be reported.

(F) For the purpose of this Section 8 of Article XI, all bonds which have been authenticated and delivered and not returned to the Trustee and cancelled, shall be deemed to be outstanding.

Section 9. As to the Trustee's Performance of Its Duties.

The Trustee undertakes, prior to a Completed Default hereunder (as defined in Section 1 of Article IX hereof) and after all completed defaults which may have occurred shall have ceased to exist, to perform such duties as are specifically set forth in this Indenture, and, during the continuance of a Completed Default hereunder, to exercise such of the rights and powers as are vested in it by this Indenture and to use the same degree of care and skill in the exercise of such rights and powers or in the performance of any of its duties hereunder, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

The Trustee shall exercise reasonable care in the selection or approval of any engineer or counsel required to be selected or approved by the Trustee under the provisions of this Indenture.

The Trustee, upon receipt of evidence furnished to it by or on behalf of the Corporation, pursuant to any provision of this Indenture, shall examine such evidence to determine whether or not it conforms with the requirements of this Indenture.

None of the provisions contained in this Section or in any other portion of the Indenture shall require the Trustee to advance or expend or risk its own funds, or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of its rights or powers if there is reasonable ground to believe that the repayment of such advances or expenditures or liabilities is not reasonably assured to it by the security afforded to it by the terms of this Indenture.

No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(a) Prior to a Completed Default hereunder, and after all completed defaults which may have occurred shall have ceased to exist the Trustee shall not be liable except for the performance of such duties as are specifically set forth in this Indenture and no implied covenants or obligations shall be read into this Indenture against the Trustee but the duties and obligations of the Trustee, prior to default and after the curing of all defaults which may have occurred, shall be determined solely by the express provisions of this Indenture; and

(b) Prior to a Completed Default hereunder, and after all completed defaults which may have occurred shall have ceased to exist the Trustee shall conclusively rely (subject to the foregoing provisions as to examination by the Trustee of evidence furnished to it by or on behalf of the Corporation as to the truth of the statements and the correctness of the opinions expressed therein, in the absence of bad faith on the part of the Trustee, upon certificates or opinions conforming to the applicable requirements (if any) of this Indenture; and

(c) The Trustee shall not be liable for any error of judgment made in good faith by a responsible officer or officers of the Trustee (if reasonable care shall have been exercised in the selection and retention of such officer or officers), unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; and

(d) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders and registered owners of not less than a majority in principal amount of the bonds at the time outstanding hereunder (determined as provided in Section 5 of Article IX hereof) relating to the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture.