

DOUGLAS COUNTY

Section 7. That it will in each year, during the month of March, so long as any of the bonds issued hereunder remain outstanding and unpaid, make and file with the Trustee and its successors in the trust hereby created, a true and correct statement, showing in detail satisfactory to the Trustee, the earnings, assets and liabilities of the Company as of the preceding December thirty-first, and that if at any time any such statement so filed shall in the opinion of the Trustee be incorrect or not set forth with sufficient detail such earnings, assets and liabilities, the Trustee may request, and the Company shall then furnish such additional statement or detailed information as the Trustee may require, and in case the Company shall fail to make and furnish to the Trustee such statement or additional information as it may require, as above set forth, the Trustee may, if it elects, but shall not be required so to do, examine, through such representatives as it may select, all books, accounts, papers, documents and property of the Company, and make such statements as it may deem proper; and the Company covenants and agrees that at all reasonable times it will permit the representatives of the Trustee to have access to all books of account, papers, documents and property of the Company for any such examination. Any bondholder shall have the right to inspect such statements at the office of the Trustee at all reasonable times.

In the event that the Trustee shall make or cause to be made any examination under the provisions of this Section the cost and expense thereof shall be paid by the Company.

Section 8. That it will, so long as any of the bonds secured hereby are outstanding and unpaid, at its own cost and expense, insure and keep insured, in responsible insurance companies, all its property usually insured by like companies similarly situated and in the same manner and to the same extent, and that the policies for such insurance may be deposited with the Trustee and shall be so deposited when requested in writing by the Trustee, and shall provide that the loss, if any, shall be payable to the Trustee as its interest may appear. The Company further covenants and agrees that it will, on the first day of March and the first day of September in each year, deposit with the Trustee a certified list of all insurance policies then in force upon the Company's property, giving in detail the names of the Insurance Companies, the dates of expiration of the various policies, the amounts of said policies and the serial numbers thereof.

In the event of loss, the proceeds derived from such insurance shall be paid over to the Trustee and it shall from time to time, on the written request of the Company, signed by the President or Vice President and Treasurer, pay over to the Company such amount of money out of the proceeds of said insurance as shall be necessary to repair, restore or replace such lost or destroyed property, such payments to be made from time to time upon receipt of vouchers showing the expenditure by the Company of the amount called for in any such vouchers, or that an indebtedness has been incurred, for such purpose of repair, restoration or replacement, equal to the amount called for by such vouchers.

The said proceeds however, may be expended by the Company in the purchase of other real estate, buildings, easements, chattels, rolling stock, or other things necessary or proper to be used in and about the property and business of the Company, upon the same terms and conditions and in the same manner as is set forth in Article V hereof in reference to proceeds derived from the sale of property released from the lien and operation of this Indenture.

In case the Company shall not have elected to expend the proceeds of any such insurance policies in either of the methods aforesaid within the period of six months from the date of the deposit of such proceeds with the Trustee, the same shall be used by the Trustee in the redemption of Bonds as and in the manner set forth in Article IV hereof, or applied to the payment of such Bonds at their maturity.

Section 9. That it will not directly or indirectly extend, or consent to the extension of the time of payment of any interest upon any of the Bonds issued hereunder, and that it will not directly or indirectly be a party to or approve of any arrangement thereof by purchasing or funding the same, or in any other manner, except as otherwise provided herein. In case the payment of any such interest shall be so extended by or with the consent of the Company, such interest so extended shall not be entitled, in case of default hereunder, to the benefit or security of this Indenture, except subject to the prior payment in full of the principal of all outstanding Bonds and of all interest of such Bonds, the payment of which has not been so extended, the intention being to prevent any accumulation after maturity of interest upon the Bonds issued hereunder.

Section 10. That it will from time to time, upon written demand of the Trustee, make, execute, acknowledge and deliver all such further deeds, conveyances, mortgages, assignments, transfers and assurances as the Trustee, or its successor or successors in the trust hereby created, may specify, for effectuating the intention of these presents, and for the further assuring or confirming unto the Trustee, their his or its successor or successors in said trust upon the terms and for the purposes herein expressed, the property, real, personal or mixed, hereby conveyed, or intended to be conveyed, to the Trustee.

Section 11. That the Bonds may be registered and presented for payment at the office of Commerce Trust Company of Kansas City, Missouri, the Trustee, and its successors in said trust, and notices and demands in respect to such Bonds may be served from time to time upon the Trustee at its said office in Kansas City, Missouri, and the Company hereby appoints and constitutes Commerce Trust Company of Kansas City, Missouri, or its successors in the trust hereby created, its fiscal agent, first, for the payment of the principal and interest of the Bonds hereby secured at the times and in the manner in which said principal and interest are payable under the terms of said Bonds, and second, for all other purposes stated in said Bonds, or in this Indenture.

ARTICLE IV. REDEMPTION AND/OR PAYMENT OF BONDS.

Section 1. It is further covenanted and agreed by and between the parties hereto that if and when at any time the registered owners of all of the Bonds then outstanding shall file with the Trustee whether in one or more instruments, their agreement in writing to permit the redemption of all or any part of the Bonds then outstanding on any specified date prior to their maturity at par plus accrued interest, waiving in such agreement, all notice of redemption unless and except as notice of the identity of the Bond or Bonds to be redeemed may be required, and provided that at the time of filing such agreement the Company shall have available for the purpose of such redemption, an amount of money sufficient to redeem at par and accrued interest to date or redemption, one or more of the Bonds then outstanding, the Company shall, at least five (5) days before the date fixed by such agreement for such redemption, deposit with the Trustee sufficient money to pay the redemption price of the Bond or number of Bonds to be redeemed, plus accrued interest on the principal thereof to the date of redemption; and all of the registered owners of the outstanding Bonds may be agreement in writing, whether in one or more instruments, filed with the Trustee not later than the specified date of redemption, designate the number or numbers of the Bonds then to be so redeemed, if the funds of the Company then available for that purpose shall not be sufficient to redeem all of the Bonds then outstanding; provided that if all of the registered owners of then outstanding Bonds shall fail to designate by agreement the Bond or Bonds to be so redeemed, being less in number and amount than the whole of the then outstanding Bonds, the Bond or Bonds to be so redeemed shall be chosen by lot by the Trustee, and the owner or owners of the Bond or Bonds so selected by lot for redemption shall be notified of such selection by the Trustee by letter mailed to the last address or respective addresses of such owner or owners as shown by the registration books aforesaid at least three (3) days before the date of redemption.

Any and all such redemption from time to time through the procedure aforesaid shall be made at the office of the Trustee hereunder. If the registered owner or owners of any Bond or Bonds so designated for redemption fails to present the same for redemption at the office of the Trustee on the date fixed for redemption, such Bond or Bonds thereafter shall cease to bear interest and the Trustee shall credit to each of such Bonds which may not be so presented, designated by the number thereof, a sum of money out of the fund available for the redemption, equal to such redemption price of the principal plus the interest accrued thereon to the date fixed for redemption as aforesaid and remaining unpaid, and said credit shall be deemed and treated as full payment of each such Bond, as between the Company and the registered owner or owners thereof, and said sum so credited by the Trustee to Bonds not presented for redemption, shall bear no interest and thereupon and thereafter said Bond or Bonds shall be excluded from participation in the lien and security afforded hereby, and the registered