

Further, that all mortgaged property hereafter acquired by the Company and made the basis of the issue of any Bonds or the release of cash or property (except cash or property subject to a prior lien not established as refundable liens), under this Indenture shall be free and clear from all liens and encumbrances of every nature having priority or being on a parity with, or which may become entitled to priority over or become on a parity with, the lien of this Indenture, except refundable liens and permitted liens as defined in § 1.01 (v) and (t); and that it will warrant and forever defend the same to the Trustees against the claims of all persons except as aforesaid.

§ 5.05. That all covenants and conditions contained in any prior lien and in the debt secured thereby will be fully performed and complied with; provided that the Company may cause to be refunded, renewed or extended beyond its maturity any prior lien debt if prior to such refunding, renewal or extension it shall cause to be filed with the Trustee hereunder a resolution of its Board of Directors stating that in the opinion of such Board such refunding, extension or renewal is necessary for the protection of the interests of the Company and is not prejudicial to the interests of the holders of the Bonds issued hereunder, and a certificate signed by a disinterested and competent person, selected by the Company and approved by the Trustee, stating in substance that in his opinion such refunding, renewal or extension will not be prejudicial to the interests of the bondholders.

§ 5.06. That upon the discharge of any prior lien all cash held by the trustee or mortgagee thereunder, except cash held for the payment of principal, premium, if any, and interest of the prior lien debt secured thereby and other charges and expenses due the trustee or mortgagee thereunder pursuant to the provisions of any such lien

and except any moneys held in any sinking fund under such lien (other than release and/or insurance moneys which by the terms of such prior lien may be applied as part of a sinking fund), shall be paid over to the Trustee hereunder and shall be treated as Funds in Escrow (except as otherwise provided in § 5.13 with respect to insurance moneys) and paid over or applied pursuant to and subject to the conditions provided in § 7.02.

§ 5.07. That in case the Company shall hereafter create any mortgage upon the mortgaged property, or any part thereof, such mortgage shall be and shall be expressed to be subject to the prior lien of this Indenture upon the mortgaged property for the security of all Bonds then outstanding or thereafter issuable hereunder.

§ 5.08. That the Company will from time to time duly pay and discharge all taxes, assessments and governmental charges lawfully imposed upon the mortgaged property or upon any part thereof, or upon the income or profits therefrom or upon the lien or interest of the Trustees or of the holders of the Bonds in respect of the mortgaged property or any part thereof or the income therefrom when the same shall become due, and will duly observe and conform to all valid requirements of any governmental authority relative to any of the mortgaged property or any part thereof, and all covenants, terms and conditions upon or under which any of the mortgaged property is held, and that the Company will from time to time comply with all of the terms of each and every lease, whereunder the Company is lessee, and will from time to time procure the renewal or extension of each such lease, to the end that no rights of the Company shall be forfeited nor the security hereof impaired. Within three (3) months after the accruing of any lawful claims or demands for labor, materials, supplies or other objects, which if unpaid might by law be

given precedence over this Indenture as a lien or charge upon the mortgaged property or the income thereof, the Company will pay or cause to be discharged or make adequate provision to satisfy or discharge the same. Nothing in this § 5.08 contained, however, shall be construed as requiring the Company to observe or conform to any requirement of governmental authority or to acquire or cause to be paid or discharged, or to make provision for, any such tax, assessment, lien or charge, so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings, unless thereby in the opinion of the Trustee prejudice or loss might result therefrom to the mortgaged property, or any part thereof, or to the interests of the bondholders; but the Trustee shall be under no obligation to form or express any such opinion and shall not be liable to anyone for any action or non-action in such connection. On or before June 1, 1947 and on or before June 1 of each year thereafter the Company will file with the Trustee a certificate stating that the Company has duly paid and discharged all taxes, assessments and governmental charges lawfully imposed upon the mortgaged property which shall have become due and payable during the preceding calendar year, or that with respect to certain of such taxes, assessments or other governmental charges to be specified in said certificate, the Company is in good faith contesting the validity thereof pursuant to the permission so to do provided for in this § 5.08.

§ 5.09. That it will, except as herein otherwise specifically provided, preserve and renew its corporate existence and all its rights and franchises to the extent necessary or desirable to preserve unimpaired the value of the mortgaged property, provided, however, that any ordinances, licenses, franchises, rights or privileges may be surrendered, abandoned, cancelled or modified pursuant to the provisions of Paragraph (B) of § 6.01.

§ 5.10. The Company will record, register, file, renew and re-record this Indenture and every indenture supplemental hereto which hereafter may be executed and all such documents as may be required by law in order to maintain this Indenture at all times as a mortgage of both real estate and personal property, all in such manner, at such times and in such places as may be required by law in order fully to preserve and protect the security of the bondholders and the rights of the Trustees and will furnish to the Trustee (a) promptly after the execution and delivery of this Indenture and of each supplemental Indenture, an opinion of counsel (who may be of counsel for the Company) either stating that in the opinion of such counsel this Indenture or such supplemental Indenture has been properly recorded and filed so as to make effective the lien intended to be created thereby, and reciting the details of such action; or stating that in the opinion of such counsel no such action is necessary to make such lien effective; and (b) at least annually after execution and delivery of this Indenture on or before June 1 of each year, beginning with the year 1947, an opinion of counsel (who may be of counsel for the Company) either stating that in the opinion of such counsel such action has been taken with respect to the recording, filing, re-recording, and re-filing of this Indenture and of each supplemental Indenture, as is necessary to maintain the lien thereof and reciting the details of such action, or stating that in the opinion of such counsel no such action is necessary to maintain such lien. The Company will pay any mortgage recording tax due on any recording hereof or of any such supplemental Indenture and will pay any further mortgage recording tax due at any time hereafter upon the issuance of additional Bonds hereunder and will comply with the requirements of any and every mortgage recording tax law or similar law affecting the due recording or main-