

taining of this Indenture, and will do whatever else may be necessary or be reasonably required by the Trustee in order to perfect and continue the lien of this Indenture upon the property mortgaged, pledged or assigned hereunder or intended so to be.

§5.11. That all property and interests in property of every kind, not hereby expressly excepted from the lien of this Indenture, which hereafter may be acquired or constructed by the Company, shall, immediately upon the acquisition or construction thereof by the Company, and without any further conveyance, assignment or other act, become and be subject to the lien of this Indenture as fully and completely as though now owned by the Company and specifically described in the granting clauses hereof; but, nevertheless, at any and all times the Company will execute, acknowledge and deliver any and all such further assurances or conveyances or assignments thereof as the Trustee may reasonably direct or require, for the purpose of expressly and specifically subjecting the same to the lien of this Indenture; and also, the Company will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, all and every such further acts, deeds, conveyances, transfers and assurances in the law for the better assuring, conveying, assigning and confirming unto the Trustee all and singular the franchises, premises, estates and properties described in the granting clauses hereof and hereby conveyed and mortgaged, or intended so to be, or which the Company may be or hereafter become bound to mortgage, convey or assign to the Trustee, as the Trustee may reasonably require.

§5.12. That the Company will at all times maintain and preserve and keep its public utility property (exclusive of retired property), and every part thereof, in good repair and that from time to time it will make all needful repairs

renewals, replacements, betterments and improvements so that at all times the security for the Bonds issued hereunder and the efficiency of its property hereby mortgaged shall be fully preserved and maintained, and will promptly record as retired on its books all public utility property that is no longer used or useful in the Company's business; provided, however, that nothing herein contained shall be construed to prevent the Company from ceasing to operate any of its systems or property, if in the judgment of the Company and in the opinion of an engineer it is advisable not to operate the same for the time being, or if the Company intends to sell or otherwise dispose of the same, and within a reasonable time endeavors to effect such a sale or other disposition, or to prevent the Company from adopting another or different system of operation and substituting equipment and property adapted thereto for the then existing lines, plants, buildings, exchanges, and other equipment and property.

§5.13. That it will at all times keep insured to a reasonable amount in responsible companies such of the buildings, central office plants, machinery, equipment and apparatus of the Company as are usually insured by companies operating like properties against destruction or damage by fire or other accident against which insurance is usually carried by companies operating like properties.

That all policies for such insurance on the mortgaged property shall be so drawn as to make any one loss aggregating ten thousand dollars (\$10,000) or more payable thereunder to the Trustee as its interest may appear; provided, however, that if any property so insured is covered by any prior lien or liens, the losses under any policies of such insurance on such property until the final satisfaction and discharge of such liens may be made payable also to the respective trustees or mortgagees under such liens.

The Company, as soon as practicable after the execution of this Indenture and thereafter on or before the first day of June in each year, beginning June 1, 1947, shall furnish to the Trustee a detailed statement, signed by its Treasurer or one of its Assistant Treasurers, of the insurance policies outstanding and in force upon the mortgaged property or any part thereof, including the names of the insurance companies which have issued the policies, the payee or payees thereunder, the amounts thereof and the property covered thereby; but the Trustee shall be under no duty to request such detailed statement or otherwise to supervise the insurance of the mortgaged property.

All insurance moneys received by the Trustee shall, upon receipt by the Trustee of a written request of the Company, either (a) be paid over to the Company to reimburse it for the cost of or to meet obligations incurred for repairs to, replacements of or substitutions for the damaged or destroyed property, as stated in such written request, which request shall also state that such repairs, replacements, and/or substitutions have not and will not be charged to the fixed property accounts of the Company, or (b) be treated as Funds in Escrow and be paid over to the Company or applied pursuant to §7.02.

The Trustee shall consent to the release of any insurance moneys received or held by the trustee or other mortgagee under any prior lien or refundable lien upon receipt of a written request of the Company so requesting, and upon receipt of a certificate from such trustee, or other mortgagee, if any, that the Company has complied with the conditions for the release of insurance moneys under such lien, and such certificate shall be full authority to the Trustee hereunder for consenting to such release, and no further authority shall be required in such case; but the consent of the Trustee hereunder shall not be required as a condition to the release of such moneys.

That insurance moneys covering losses of ten thousand dollars (\$10,000) or more paid to a trustee or other mortgagee under a prior lien or refundable lien as permitted by this §5.13 upon being paid over to the Company by such trustee or mortgagee will be used by the Company only to pay for or to reimburse it for the cost of repairs to, replacements of or substitutions for the damaged or destroyed property, and that such repairs, replacements and/or substitutions will not be charged to the fixed property accounts of the Company, or will be used to pay and discharge prior lien debt or refundable debt secured by such prior lien or refundable lien, or if not so used will be deposited with the Trustee, in which case such moneys shall be treated as Funds in Escrow, and be paid over to the Company or applied pursuant to §7.02.

In case of any loss covered by any policy of insurance, any appraisal or adjustment of such loss and settlement and judgment of indemnity therefor which may be agreed upon between the Company and the insurance company may be consented to and accepted by the Trustee, and the Trustee shall be in no way liable or responsible for the adjustment or collection of any insurance in case of any loss.

§5.14. That in the case of conditions precedent provided for in this Indenture (including any covenants compliance with which constitutes a condition precedent) which relate to the authentication and delivery of Bonds hereunder, to the release of property subject to the lien hereof, to the satisfaction and discharge of the Indenture, or to any other action to be taken by the Trustee at the request or upon the application of the Company, the Company covenants to furnish to the Trustee, as evidence of compliance with such conditions precedent, in addition to or as a part of the certificates or opinions of officers of the Company or other