

quested by the Trustee, make, do, execute, acknowledge and deliver, or cause to be made, done, executed, acknowledged and delivered, any and all such further and other acts, deeds, conveyances, transfers and assurances as may be necessary or proper for the better assuring and confirming unto the Trustee all or any part of the trust estate, whether now or hereafter owned or acquired by the Company, or to facilitate the execution of this trust or to secure the rights and remedies of the holders of the bonds issued hereunder.

SECTION 3.05. The Company covenants and agrees that it will cause this Indenture and any and all supplemental indentures and instruments of further assurance at all times to be kept recorded and filed in such manner and in such places as may, in the opinion of counsel be required by law in order to make effective the lien intended to be created thereby and in order fully to preserve and protect the rights of the bondholders and the Trustee hereunder, and that it will furnish to the Trustee—

(a) promptly after the execution and delivery of this Indenture and of each supplemental indenture, an opinion of counsel 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) during the month of December of each year, beginning with the year 1947, an opinion of counsel either stating that in the opinion of such counsel such action has been taken with respect to the execution of supplemental indentures and other instruments and the recording, filing, re-recording and refiling of this Indenture and of each supplemental indenture and other instrument as is necessary to maintain the lien thereof and effectually to subject to the lien hereof all property, other than exempt property, acquired by the Company since the

such increase shall be deposited with the Trustee to be held subject to the provisions of Article VI hereof or unless (ii) the prior lien bonds representing such increase shall be deposited with the trustee or other holder of a prior lien upon the same property as that mortgaged or pledged to secure the prior lien bonds so deposited (under conditions such that no transfer of ownership or possession of such prior lien bonds representing such increase by the trustee or other holder of such prior lien is permissible except upon a default thereunder, or except to the Trustee hereunder to be held subject to the provisions of Article VI hereof, or to the trustee or other holder of some other prior lien upon the same property for cancellation or to be held uncancelled under the terms of such other prior lien under like conditions), and that it will not apply under any provision of this Indenture for the authentication and delivery of bonds or the withdrawal or reduction of cash by reason of the deposit with the Trustee or the trustee or other holder of a prior lien of prior lien bonds in accordance with the provisions of this Section 3.05; provided, however, that the provisions of this Section 3.05 shall not be construed to apply to the acquisition of property by the Company subject to existing mortgages or other liens thereon, including purchase money mortgages or liens created at the time of and in connection with the acquisition of such property.

SECTION 3.06. (a) The Company covenants and agrees that it will forthwith pledge and deposit with the Trustee, moneys called, all prior lien bonds which may hereafter be acquired uncancelled by the Company, whether or not such prior lien bonds have theretofore become due and payable, unless the Company shall, pursuant to the terms of a prior lien, cancel such prior lien bonds or deliver or pledge them with the trustee or other holder of any prior lien. All such prior lien bonds deposited with the Trustee shall be received and

date of the last opinion filed with the Trustee pursuant to this subparagraph (b) (or in the case of such first opinion since December 1, 1946), 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.

SECTION 3.06. The Company covenants and agrees that, subject to the provisions of Articles VII and XIII and except as in this Indenture otherwise provided or permitted, it will do or cause to be done all things on its part to be done necessary to maintain its corporate existence and right to carry on business and will use its best efforts to preserve all rights, franchises and privileges to it granted and on it conferred by law or otherwise in accordance with their terms.

SECTION 3.07. Except as in Article VI hereof otherwise provided, the Company covenants and agrees that it will faithfully perform or cause to be performed all the terms, covenants and conditions to be performed by the mortgagee under any prior lien; provided, however, that nothing contained herein shall be construed to prevent the extension or renewal of any prior lien or any indebtedness secured thereby, including the principal of any outstanding prior lien bonds.

SECTION 3.08. The Company covenants and agrees that it will not permit the amount of prior lien bonds to be increased by the issue of additional prior lien bonds (except prior lien bonds issued in lieu of lost, stolen, destroyed or mutilated prior lien bonds) unless (i) the prior lien bonds representing such increase shall be issued upon transfer of or in exchange for or in lieu of outstanding prior lien bonds in the same or a greater aggregate principal amount on the exercise by a holder or holders of such outstanding prior lien bonds of a right granted by the prior lien securing such prior lien bonds to have such bonds issued, provided such right existed at the date of acquisition by the Company of the property subject to such prior lien, or unless (ii) the prior lien bonds representing

held by the Trustee, as further security for the bonds issued hereunder, in the manner provided in Article VI hereof; provided, however, that any such prior lien bonds so deposited and pledged with the Trustee may, if not theretofore bonded, be made the basis, then or from time to time thereafter, for the authentication and delivery of bonds or the withdrawal or reduction of cash to the extent, in the manner and subject to the conditions in this Indenture provided.

(b) The Company covenants and agrees that, upon the satisfaction of any prior lien, all prior lien bonds secured by other prior liens, which are then held by the trustee or other holder of such satisfied prior lien, shall be cancelled, or shall be delivered to the Trustee to be held subject to the provisions of Article VI hereof or to the trustee or other holder of the mortgage or other lien, securing such prior lien bonds or securing other prior lien bonds, to be cancelled or to be held under conditions such that no transfer of ownership or possession of such prior lien bonds by the trustee or other holder of such prior lien is permissible except upon a default thereunder or except to the Trustee hereunder or to the trustee or holder of a prior lien securing such prior lien bonds or other prior lien bonds for cancellation or to be held uncancelled under the terms of the prior lien securing such prior lien bonds or other prior lien bonds under like conditions; and that the Company will not obtain or apply for the authentication and delivery of any bonds under the provisions of Section 3.04 hereof, or the withdrawal or reduction of cash under any provision of this Indenture, upon the basis of any prior lien bonds so cancelled or deposited with the Trustee pursuant to the provisions of this subdivision (b).

(c) The Company further covenants and agrees that all proceeds of property, considerations for property taken by the exercise of a power of eminent domain or purchased by a municipality in the exercise of any right, considerations for property released, proceeds of insurance, and moneys, in lieu