

FORM-Ref. Ind. 1.

outstanding notes; and all corporate action on its part for the execution and delivery of the Outstanding Notes, the First Note and of this Indenture has been duly and effectively taken; and the Outstanding Notes, the First Note and this Indenture are the valid and enforceable obligations of the Corporation in accordance with their respective terms.

SECTION 2. The Corporation warrants that it has good right and lawful authority to mortgage the property described in the granting clauses of this Indenture for the purposes herein expressed; and that the said property is free and clear of any deed of trust, mortgage, lien, charge, or encumbrance thereon or affecting the title thereto, except the lien of the Underlying Mortgage, this Indenture and taxes or assessments not yet due. The Corporation will, so long as any of the notes shall be outstanding, maintain and preserve the lien of this Indenture superior to all other liens affecting the Trust Estate except the lien of the Underlying Mortgage and will forever warrant and defend the title to the property described as being conveyed and assigned hereby to the Trustee, for the benefit of the noteholders, against any and all claims and demands whatsoever. The Corporation will promptly pay or discharge any and all obligations for or on account of which any such lien or charge might exist or could be created and any and all lawful taxes, rates, levies, assessments, liens, claims, or other charges imposed upon or accruing upon the Trust Estate, or any part thereof (whether taxed to the Corporation or to the Trustee or to any noteholder), or the franchisees, earnings, or business of the Corporation, as and when the same shall become due and payable; and whenever called upon so to do the Corporation will furnish to the Trustee or to any noteholder adequate proof of such payments or discharge.

SECTION 3. Except to secure loans made by the Government to the Corporation, or to a third party or parties, the obligations of which are assumed by the Corporation as provided in section 1 of article I of this Indenture, the Corporation will not, without the consent of the holder or holders of not less than a majority in principal amount of the notes at the time outstanding, charge, assign, pledge, mortgage or otherwise encumber any of its property, real or personal, tangible or intangible, wherever situate, which at the time is, or at any time may become, subject to the lien of this Indenture.

SECTION 4. The Corporation will duly and punctually pay the principal of and interest on the notes at the dates and places and in the manner provided therein, according to the true intent and meaning thereof, and also all other sums becoming due hereunder.

SECTION 5. The Corporation will at all times, so long as any of the notes shall be outstanding, take or cause to be taken all such action as from time to time may be necessary to preserve its corporate existence and to preserve and renew all franchises, rights of way, easements, permits, and licenses now or hereafter to it granted or upon it conferred, and will comply with all valid laws, ordinances, regulations, and requirements applicable to it or its property. The Corporation will not, without the approval in writing of the holder or holders of not less than a majority in principal amount of the notes at the time outstanding, take or suffer to be taken any steps for reorganization or to consolidate with or merge into any other corporation, or to sell, lease, or transfer (or make any agreement therefor) the Trust Estate, or any part thereof.

SECTION 6. The Corporation will at all times maintain and preserve the Trust Estate and each and every part and parcel thereof in good repair, working order and condition, and will from time to time make all needful and proper repairs, renewals, and replacements and useful and