

§12.05. At any time prior to the exercise of any power by this Article 12 reserved to the Company or a purchasing or successor corporation, the Company may surrender any such power by delivering to the Principal Trustee an instrument in writing executed by its President or a Vice-President under its corporate seal attested by its Secretary or an Assistant Secretary, accompanied by the affidavit of its Secretary or an Assistant Secretary that the execution of such instrument was duly authorized by the vote of two-thirds of its Board of Directors, and thereupon the power so surrendered shall cease.

ARTICLE 13

CONCERNING THE TRUSTEES

§13.01. There shall at all times be a Principal Trustee which shall be a bank or trust company eligible under § 4.03 and having a combined capital and surplus of at least \$5,000,000. If the Principal Trustee publishes reports of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority referred to in § 4.03, then for the purposes of this Section the combined capital and surplus of the Principal Trustee shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

§13.02. The Trustees hereby accept the trust hereby created. The Trustees undertake, prior to default as defined in § 2.01 and after the curing of all defaults which may have occurred, to perform such duties and only such duties as are specifically set forth in this Indenture, and in case of default (which has not been cured) to exercise such of the rights and powers vested in them by this Indenture, and to use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

For the purposes of this § 13.02 and of § 13.03, a default shall be deemed cured when the act or omission or other event giving rise to such default shall have been cured, remedied or terminated. If a default

is waived as provided in § 13.06(e), such default shall be deemed to have been cured.

Either Trustee, upon receipt of evidence furnished to it by or on behalf of the Company pursuant to any provision of this Indenture, shall examine the same to determine whether or not such evidence conforms to the requirements of this Indenture.

§13.03. No provision of this Indenture shall be construed to relieve a Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(a) prior to the occurrence of a default hereunder and after the curing of all defaults which may have occurred, a Trustee shall not be liable except for the performance of such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against a Trustee, but the duties and obligations of a Trustee, prior to default and after the curing of all defaults which may have occurred, shall be determined solely by the express provisions of this Indenture;

(b) prior to the occurrence of a default hereunder and after the curing of all defaults which may have occurred, and in the absence of bad faith on the part of such Trustee, a Trustee may conclusively rely as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions conforming to the requirements of this Indenture;

(c) a Trustee shall not be personally liable for any error of judgment made in good faith by a responsible officer or officers of such Trustee, unless it shall be proved that such Trustee was negligent in ascertaining the pertinent facts; and

(d) a Trustee shall not be personally liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of not less than a majority in aggregate principal amount of the bonds at the time outstanding (such percentage being determined as provided in § 1.03) relating to the time, method and place of conducting any proceeding for any remedy available to a Trustee or exer-

cising any trust or power conferred upon a Trustee under this Indenture.

§13.04. The recitals contained herein and in the bonds shall be taken as the statements of the Company, and the Trustees and each of them assume no responsibility for the correctness of the same. The Trustees and each of them make no representations as to the value of the mortgaged property or any part thereof, or as to the title of the Company thereon, or as to the validity or adequacy of the security afforded thereby and by this Indenture, or as to the validity of this Indenture or of the bonds or coupons issued hereunder. Neither Trustee shall be under any responsibility or duty with respect to the disposition by the Company of any bonds authenticated and delivered hereunder or the application of the proceeds thereof or the applications of any moneys paid to the Company under any of the provisions hereof.

§13.05. A Trustee shall not be personally liable in case of entry by it upon the mortgaged property for debts contracted or liability or damages incurred in the management or operation of said property.

§13.06. To the extent permitted by § 13.01 and § 13.03:

(1) A Trustee may rely and shall be protected in acting upon any resolution, certificate, opinion, notice, request, consent, order, appraisal, report, bond, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(2) A Trustee may consult with counsel, who may be of counsel to the Company, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel; and

(3) A Trustee shall not be liable for any action taken by it in good faith and believed by it to be authorized or within the discretion or power conferred upon it by this Indenture.

§13.07. A Trustee shall not be under any responsibility for the selection, appointment or approval of any engineer, accountant or other

expert for any of the purposes expressed in this Indenture, except that nothing in this § 13.07 contained shall relieve a Trustee of its obligation to exercise reasonable care with respect to the selection, appointment or approval of independent experts who may furnish opinions or certificates to such Trustee pursuant to any provision of this Indenture.

Nothing contained in this § 13.07 shall be deemed to modify the obligation of the Trustees and each of them to exercise during the continuance of a default the rights and powers vested in them by this Indenture with the degree of care and skill specified in § 12.02.

§13.08. Subject to the provisions of § 13.11 and § 13.13, a Trustee or any paying agent may buy, sell or deal in the bonds and coupons, and other securities of the Company, or any obligor upon the bonds, and may engage or be interested in any financial or other transaction with the Company, or any obligor on the bonds, as freely as if it were not a Trustee or a paying agent hereunder.

§13.09. Subject to the provisions of § 13.02, all moneys received by any Trustee, whether as Trustee or paying agent, shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated from other funds except to the extent required by law. Any Trustee may allow and credit to the Company interest on any moneys received by it hereunder at such rate, if any, as may be agreed upon with the Company from time to time and as may be permitted by law.

§13.10. The Company covenants and agrees to pay to the Trustees from time to time and the Trustees shall be entitled to, reasonable compensation for all services rendered by them in the execution of the trusts hereby created and in the exercise and performance of any of the powers and duties hereunder of the Trustees, which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust, and the Company will reimburse the Trustees or either of them for all appropriate advances made by the Trustees or either of them with interest thereon at the rate of 4%